The Cyprus Cement Public Company Limited

Report and financial statements
31 December 2015

Contents

The Cyprus Cement Public Company Limited

Board of Directors and other officers

Board of Directors

George St. Galatariotis (Executive Chairman)
Costas St. Galatariotis (Executive Director)
Stavros G. St. Galatariotis (Executive Director)
Tasos Anastasiou (Executive Director)
Michalis Moushouttas (Director)
Antonis Antoniou Latouros (Director)

Company Secretary

C.C.C. Secretarial Limited
197 Makariou III Avenue
Gala Tower
CY-3030 Limassol
Cyprus

Registered office

197 Makariou III Avenue
Gala Tower
CY-3030 Limassol
Cyprus

The Cyprus Cement Public Company Limited

Declaration of Directors and other responsible officers of the Company for the preparation of the financial statements

In accordance with Article 9 sections 3 (c) and (7) of the Transparency Requirements (Traded Securities in Regulated Markets) Law of 2007 to 2014 (“Laws”) we, the members of the Board of Directors and the Company officials responsible for the drafting of the consolidated and separate financial statements of The Cyprus Cement Public Company Limited for the year ended 31 December 2015, we confirm that, to the best of our knowledge:

(a) the annual consolidated and separate financial statements which are presented on pages 10 to 90:

(i) were prepared in accordance with International Financial Reporting Standards as adopted by the European Union and in accordance with the provisions of Article 9, section (4) of the Law, and

(ii) give a true and fair view of the assets and liabilities, the financial position and the profit or loss of The Cyprus Cement Public Company Limited and the businesses that are included in the consolidated accounts as a total, and

(b) the Board of Directors Report gives a fair review of the developments and the performance of the business as well as the financial position of The Cyprus Cement Public Company Limited and the businesses that are included in the consolidated accounts as a total, together with a description of the main risks and uncertainties they are facing.

Members of the Board of Directors

Name and surname	Signature
George St. Galatariotis (Executive Chairman)	
Costas St. Galatariotis (Executive Director)	
Stavros G. St. Galatariotis (Executive Director)	
Tasos Anastasiou (Executive Director)	
Michalis Moushouttas (Director)	
Antonis Antoniou Latouros (Director)	

Responsible for the preparation of the financial statements

Name and surname	Signature
Elena Stylianou (Financial Controller)	

Limassol
25 April 2016

The Cyprus Cement Public Company Limited

Report of the Board of Directors

1 The Board of Directors of The Cyprus Cement Public Company Limited (the "Company"), its subsidiaries, collectively referred to as the "Group", presents its report together with the audited consolidated financial statements of the Group and the audited separate financial statements of the Company for the year ended 31 December 2015.

Principal activities

2 The principal activities of the Group are the development/exploitation of land and the undertaking of strategic investments in companies operating in hotel and tourism industry and in the production and sale of cement and related business.

Review of developments, position and performance of the Group's and Company's business

3 The net profit of the Group for the year ended 31 December 2015 amounted to €739.315 (2014: net loss of €1.449.230). On 31 December 2015 the total assets of the Group were €347.875.160 (2014: €349.358.368) and the net assets were €269.971.533 (2014: €272.178.032). The net loss of the Company for the year ended 31 December 2015 amounted to €3.544.311 (2014: €358.443). On 31 December 2015 the total assets of the Company were €335.436.764 (2014: €338.871.205) and the net assets were €264.906.526 (2014: €268.450.837). The financial position, development and performance of the Company and Group as presented in these financial statements was as expected.

Principal risks and uncertainties

4 The activities of the Company and the Group are influenced by various risks and uncertainties related to the construction and tourist industries. These activities are influenced by a number of factors which include, but are not limited to, the following:

- The operating environment of Cyprus (Notes 1 and 2).
- National and international economic and geopolitical factors.
- The global financial crisis which affected the tourism, the construction industry and real estate sector.
- The impact of war, terrorist acts, diseases and epidemics which may impact tourists' arrivals on the island.
- Increased competition within Cyprus and the neighbouring countries.
- Increases in labour and energy costs.

5 The Group monitors these risks through various mechanisms and revises its strategy in order to mitigate, to the extent this is possible, the impact of such risks.

6 The principal financial risks and uncertainties faced by the Company and the Group are outlined in Notes 1, 2, 3 and 4 of the financial statements.

Expected development of the Company and the Group

7 The Board of Directors does not expect any other significant changes in the operations of the Company and the Group except of the developments described in "Review of developments, position and performance of the Group's and the Company's business.

Report of the Board of Directors (continued)

Results

8 The Group's results for the year are set out on pages 10 and 11 and the respective results of the Company are presented on page 12. The net profit of the Group and the net loss of the Company for the year are transferred to retained earnings.

9 The final results of the Group for 2015 amounted to a profit of €739.315 while the indicative results for the year as announced on 26 February 2016 amounted to a profit of €736.000. The difference of €3.315 is mainly due to a difference in the final results of the subsidiary CCCT and the associated company, Vassiliko Cement Works Public Company Limited.

Share capital

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

Board of Directors

11 The members of the Board of Directors at 31 December 2015 and at the date of this report are shown on page 1. All of them were members of the Board throughout the year 2015.

12 In accordance with the Company's Articles of Association Messrs Costas St. Galatariotis and Michalis Moushouttas retire at the next Annual General Meeting and, being eligible, offer themselves for re-election.

13 There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Corporate Governance Code

14 The Board of Directors has not adopted the provisions of the Corporate Governance Code. The Company is not obliged to adopt the provisions of the Code as its titles are traded in the Alternative Market of the Cyprus Stock Exchange. The main reason for the non adoption of the Corporate Governance Code is that the Board of Directors expects that the costs to be incurred for the adoption of the Corporate Governance Code would be disproportionately higher than any anticipated benefits that may be derived from its adoption.

15 The Board of Directors is responsible for the establishment of adequate internal control procedures and risks control mechanisms, for the drafting, preparation, content and publication of all periodical information that is required of listed companies. The responsible person for the preparation of the financial statements is the Financial Controller.

16 The Board of Directors has not established an Audit Committee pursuant to the requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013. According to Article 46 of the Laws, the Company has assigned the tasks of the Audit Committee to the Board of Directors as a body.

Report of the Board of Directors (continued)

Corporate Governance Code (continued)

Shareholders holding more than 5% of the Company's share capital

17 The shareholders who held at least 5% of the issued share capital of the Company on 25 April 2016 are as follows:

C.C.C. Holdings & Investments Limited *	23,04%
K+G Complex Public Company Limited *	32,07%
George S. Galatariotis & Sons Limited*	13,47%

* Included in the interest of George St. Galatariotis as presented in the Directors' interest below.

18 The Company has not issued any titles with special control rights and there are no restrictions on voting rights.

19 The appointment and replacement of the members of the Board of Directors is done by the Company at its Annual General Meeting in accordance with the provisions of the Company's Articles of Association. The Company's Articles of Association provides that the Board of Directors has the power to appoint, at any time, any person as Director and such person that is appointed by the Board of Directors will hold his office until the next Annual General Meeting of the Company.

20 The Company's Articles of Association can be modified by the passing of a Special Resolution at an Extraordinary General Meeting of the shareholders.

21 The Board of Directors, subject to approval by the Company's shareholders, may issue or repurchase Company's shares. The issue of any new shares is further subject to the provisions of the Company's Articles of Association, the prevailing law and the principle of fair treatment to all existing shareholders.

22 The Board of Directors consists of 6 members and meetings are convened at regular intervals. The Board of Directors approves the Company's strategy and supervises the adoption and realization of the Company's and Group's strategic development.

Corporate Governance Code (continued)

Directors' interest in the Company's share capital

23 The beneficial interest in the Company's share capital held by each Director, their spouse, children and companies in which they hold directly or indirectly at least 20% of the shares with voting rights in a general meeting, at 31 December 2015 and on 25 April 2016 was as follows:

	At 25 April 2016	**At 31 December 2015**
	%	**%**
George St. Galatariotis (1)	69,97	69,97
Costas St. Galatariotis (1)	-	-
Stavros G. St. Galatariotis (1)	-	-
Michalis Moushouttas	-	-
Antonis Antoniou Latouros	0,05	0,05
Tasos Anastasiou	-	-

(1) The total interest held by Mr. George St. Galatariotis includes his indirect participation resulting from family relationships between himself and Stavros G. St. Galatariotis and Costas St. Galatariotis, their direct and indirect interest through companies which they control.

Contracts with Directors and related parties

24 Other than the transactions and the balances with Directors and related parties referred to in Note 31 of the financial statements, there were no other significant contracts with the Company, or its subsidiaries as at 31 December 2015 in which the Directors or related parties had a material interest. Related persons include the spouse, minor children and companies in which Directors hold directly or indirectly at least 20% of the voting rights in a general meeting.

Events after the balance sheet date

25 The material post balance sheet events, which have a bearing on the understanding of the financial statements are presented in Note 32.

Branches

26 The Company and the Group did not operate through any branches during the year.

Report of the Board of Directors (continued)

Independent auditors

27 The independent auditors, PricewaterhouseCoopers Limited, have expressed their willingness to continue in office. A resolution for their appointment and authorizing the Board of Directors to fix their remuneration will be submitted at the Annual General Meeting.

By Order of the Board

C.C.C. Secretarial Limited
Secretary

Limassol, 25 April 2016

Independent auditor's report

To the members of The Cyprus Cement Public Company Limited

Report on the consolidated and separate financial statements of The Cyprus Cement Public Company Limited

We have audited the accompanying consolidated financial statements of The Cyprus Cement Public Company Limited (the "Company") and its subsidiaries collectively referred to as the "Group", and the separate financial statements of the Company, which comprise the consolidated balance sheet and the balance sheet of the Company as at 31 December 2015, and the consolidated statements of income, comprehensive income, changes in equity and cash flows, and the statements of comprehensive income, changes in equity and cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation of consolidated and separate financial statements of the Company 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 Board of Directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated and separate financial statements of the Company based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated and separate financial statements of the Company are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated and separate financial statements of the Company that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated and separate financial statements of the Company.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2015, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Report on other legal requirements

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013, 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 those books.
- The consolidated and separate 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 consolidated and the separate financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the consolidated and the separate financial statements.

Pursuant to the requirements of the Directive DI190-2007-04 of the Cyprus Securities and Exchange Commission, we report that a corporate governance statement has been made for the information relating to paragraphs (a), (b), (c), (f) and (g) of Article 5 of the said Directive, and it forms a special part of the Report of the Board of Directors.

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 and 2013 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.

Liakos M. Theodorou
Certified Public Accountant and Registered Auditor

For and on behalf of
PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

Limassol, Cyprus
25 April 2016

The Cyprus Cement Public Company Limited

Consolidated income statement for the year ended 31 December 2015

	Note	**2015 €**	2014 €
Continuing operations			
Revenue	5	**575.666**	797.933
Operating and administrative expenses	8	**(1.549.303)**	(1.727.257)
Other income	7	**2.426**	878
Other (losses)/gains - net	6	**(342.864)**	(650.187)
Operating loss		**(1.314.075)**	(1.578.633)
Finance costs	11	**(1.193.036)**	(1.272.829)
Share of profit from investments accounted for using equity method	19	**3.250.093**	1.631.754
Profit/(loss) before tax		**742.982**	(1.219.708)
Taxation	12	**(3.667)**	97.446
Profit/(loss) for the year from continuing operations		**739.315**	(1.122.262)
Discontinued operations			
Loss for the year from discontinued operations	21	**-**	(837.117)
Loss from loss on control of subsidiary entity	21	**-**	(1.497.124)
Profit from capital reorganisation of joint venture	21	**-**	2.007.273
Profit/(loss) for the year		**739.315**	(1.449.230)
Profit/(loss) for the year from continuing operations attributable to:			
Owners of the Company		**752.861**	(1.205.745)
Non-controlling interest		**(13.546)**	83.483
		739.315	(1.122.262)
Profit/(loss) for the year attributable to:			
Owners of the parent		**752.861**	(1.425.761)
Non-controlling interest		**(13.546)**	(23.469)
		739.315	(1.449.230)
Profit/(loss) per share from continuing operations attributable to the shareholders of the Company (cent per share):			
- Basic and fully diluted	13	**0,55**	(0,88)
Profit/(loss) per share attributable to the shareholders of the Company based on the weighted average number of ordinary shares (cent per share):			
- Basic and fully diluted	13	**0,55**	(1,04)

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Consolidated statement of comprehensive income for the year ended 31 December 2015

	Note	2015 €	2014 €
Profit/(loss) for the year		**739.315**	(1.449.230)
Other comprehensive income:			
Items that cannot be reclassified in profit or loss:			
Share of reserves of investments accounted for using equity method	19	**52.118**	79.108
Items that may be subsequently reclassified to profit or loss:			
Change in the fair value of available-for-sale financial assets		**(2.997.486)**	-
Other comprehensive loss for the year		**(2.945.368)**	79.108
Total comprehensive loss for the year		**(2.206.053)**	(1.370.122)
Total comprehensive loss for the year attributable to:			
Owners of the parent		**(1.212.029)**	(1.342.902)
Non-controlling interest		**(994.024)**	(27.220)
		(2.206.053)	(1.370.122)

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in Note 12.

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Company's statement of comprehensive income for the year ended 31 December 2015

	Note	**2015**	2014
		€	€
Other income	7	**2.183.975**	637.872
Other operating and administrative expenses	8	**(241.961)**	(181.439)
Other losses	6	**(4.718.347)**	(2.217)
Operating (loss)/profit		**(2.776.333)**	454.216
Finance costs	11	**(767.978)**	(812.396)
Loss before tax		**(3.544.311)**	(358.180)
Tax charge	12	**-**	(263)
Total loss comprehensive loss for the year		**(3.544.311)**	(358.443)

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Consolidated balance sheet
at 31 December 2015

	Note	2015 €	2014 €
Assets			
Non-current assets			
Property, plant and equipment	16	**27.995**	40.740
Investment property	17	**270.858.206**	271.341.006
Investments accounted for using the equity method	19	**54.451.702**	77.033.932
Available-for-sale financial assets	22	**20.702.980**	-
		346.040.883	348.415.678
Current assets			
Trade and other receivables	23	**802.454**	928.991
Cash and cash equivalents	24	**1.031.823**	13.699
		1.834.277	942.690
Total assets		**347.875.160**	349.358.368
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	25	**59.172.679**	59.172.679
Share premium	25	**848.729**	848.729
Fair value reserve		**101.499.340**	106.427.843
Revenue reserve		**17.235.700**	17.235.700
Other reserves		**(15.032)**	(15.032)
Retained earnings		**84.419.786**	80.703.559
		263.161.202	264.373.478
Non-controlling interest		**6.810.331**	7.804.554
Total equity		**269.971.533**	272.178.032
Non-current liabilities			
Deferred tax liabilities	27	**53.565.714**	53.565.714
Borrowings	26	**21.891.221**	20.153.878
		75.456.935	73.719.592

Consolidated balance sheet
at 31 December 2015 (continued)

	Note	**2015** €	2014 €
Current liabilities			
Provisions	29	**-**	298.000
Trade and other payables	28	**174.275**	495.260
Current tax liabilities		**735**	305
Borrowings	26	**2.271.682**	2.667.179
		2.446.692	3.460.744
Total liabilities		**77.903.627**	77.180.336
Total equity and liabilities		**347.875.160**	349.358.368

On 25 April 2016 the Board of Directors of The Cyprus Cement Public Company Limited authorised these financial statements for issue.

George St. Galatariotis, Executive Chairman

Costas St. Galatariotis, Executive Director

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Company's balance sheet
at 31 December 2015

	Note	2015 €	2014 €
Assets			
Non-current assets			
Investment property	17	**836.950**	836.950
Investments in subsidiaries	20	**280.855.089**	282.948.274
Investments in associates	19	**52.597.405**	52.597.405
		334.289.444	336.382.629
Current assets			
Trade and other receivables	23	**118.897**	2.475.368
Cash and cash equivalents	24	**1.028.423**	13.208
		1.147.320	2.488.576
Total assets		**335.436.764**	338.871.205
Equity and liabilities			
Capital and reserves			
Share capital	25	**59.172.679**	59.172.679
Share premium		**910.103**	910.103
Revenue reserve		**17.282.506**	17.282.506
Retained earnings		**187.541.238**	191.085.549
		264.906.526	268.450.837
Non-current liabilities			
Borrowings	26	**15.738.091**	13.055.353
Deferred tax liabilities	27	**53.565.714**	53.565.714
		69.303.805	66.621.067
Current liabilities			
Trade and other payables	28	**847.964**	2.135.783
Borrowings	26	**378.469**	1.663.518
		1.226.433	3.799.301
Total liabilities		**70.530.238**	70.420.368
Total equity and liabilities		**335.436.764**	338.871.205

On 25 April 2016 the Board of Directors of The Cyprus Cement Public Company Limited authorised these financial statements for issue.

George St. Galatariotis
Executive Chairman

Costas St. Galatariotis
Executive Director

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Consolidated statement of changes in equity for the year ended 31 December 2015

	Attributable to owners of the Company								
	Share capital	Share premium(2)	Fair value reserve (2)	Other reserves (2)	Revenue reserve	Retained earnings(1)	Total	Non-controlling interest	Total equity
	€	€	€	€	€	€	€	€	€
Balance at 1 January 2014	59.172.679	848.729	115.279.747	(15.032)	17.235.700	73.194.557	265.716.380	7.831.774	273.548.154
Comprehensive income									
Profit for the year	-	-	-	-	-	(1.425.761)	(1.425.761)	(23.469)	(1.449.230)
Other comprehensive income									
Share of fair value and other reserves of associated companies (Note 19)	-	-	82.859	-	-	-	82.859	(3.751)	79.108
Transfer due to loss of control in subsidiary (Note 21)	-	-	(8.934.763)	-	-	8.934.763	-	-	-
Total other comprehensive income	-	-	(8.851.904)	-	-	8.934.763	82.859	(3.751)	79.108
Total comprehensive income for the year 2014	-	-	(8.851.904)	-	-	7.509.002	(1.342.902)	(27.220)	(1.370.122)
Balance at 31 December 2014	59.172.679	848.729	106.427.843	(15.032)	17.235.700	80.703.559	264.373.478	7.804.554	272.178.032

The Cyprus Cement Public Company Limited

Consolidated statement of changes in equity for the year ended 31 December 2015 (continued)

	Attributable to owners of the Company								
	Share Capital	Share premium[2]	Fair value reserve [2]	Other reserves [2]	Revenue reserve	Retained earnings[1]	Total	Non-controlling interest	Total equity
	€	€	€	€	€	€	€	€	€
Balance at 1 January 2015	59.172.679	848.729	106.427.843	(15.032)	17.235.700	80.703.559	264.373.478	7.804.554	272.178.032
Comprehensive income									
Profit for the year	-	-	-	-	-	752.861	752.861	(13.546)	739.315
Other comprehensive income									
Share of fair value and other reserves of associated companies (Note 19)	-	-	52.118	-	-	-	52.118	-	52.118
Transfer due to loss of significant influence in associate entity (Note 22)	-	-	(2.963.613)	-	-	2.963.613	-	-	-
Change in the fair value of available-for-sale financial assets (Note 22)	-	-	(2.017.008)	-	-	-	(2.017.008)	(980.478)	(2.997.486)
Total other comprehensive income	-	-	(4.928.503)	-	-	2.963.613	(1.964.890)	(980.478)	(2.945.368)
Total comprehensive income for the year 2015	-	-	(4.928.503)	-	-	3.716.474	(1.212.029)	(994.024)	(2.206.053)
Transactions with owners									
Defence tax on deemed dividend distribution	-	-	-	-	-	(247)	(247)	(199)	(446)
Total transactions with owners	-	-	-	-	-	(247)	(247)	(199)	(446)
Balance at 31 December 2015	59.172.679	848.729	101.499.340	(15.032)	17.235.700	84.419.786	263.161.202	6.810.331	269.971.533

Consolidated statement of changes in equity for the year ended 31 December 2015 (continued)

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents. The special contribution for defence rate increased to 17% in respect of profits of year of assessment 2009 and to 20% in respect of profits of years of assessment 2010 and 2011 and is reduced back to 17% in respect of profits of years of assessment 2012 onwards. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

(2) The share premium, the fair value reserve and other reserves are not available for distribution in the form of dividends.

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Company's statement of changes in equity for the year ended 31 December 2015

	Share capital €	Share premium [2] €	Revenue reserve €	Retained earnings [1] €	Total €
Balance at 1 January 2014	59.172.679	910.103	17.282.506	191.443.992	268.809.280
Comprehensive income					
Loss for the year	-	-	-	(358.443)	(358.443)
Total comprehensive loss for the year 2014	-	-	-	(358.443)	(358.443)
Balance at 31 December 2014/1 January 2015	59.172.679	910.103	17.282.506	191.085.549	268.450.837
Comprehensive income					
Loss for the year	-	-	-	(3.544.311)	(3.544.311)
Total comprehensive loss for the year 2015	-	-	-	(3.544.311)	(3.544.311)
Balance at 31 December 2015	**59.172.679**	**910.103**	**17.282.506**	**187.541.238**	**264.906.526**

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents. The special contribution for defence rate increased to 17% in respect of profits of year of assessment 2009 and to 20% in respect of profits of years of assessment 2010 and 2011 and is reduced back to 17% in respect of profits of years of assessment 2012 onwards. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

(2) The share premium reserve is not available for distribution in the form of dividends.

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Consolidated statement of cash flows for the year ended 31 December 2015

	Note	**2015 €**	2014 €
Cash flows from operating activities			
Profit/(Loss) before tax from discontinued and continuing operations		**742.982**	(1.546.676)
Adjustments for:			
Depreciation of property, plant and equipment	16	**16.540**	181.786
Loss on sale of property, plant and equipment	6	**-**	119
Loss due to loss of control in subsidiary	21	**-**	1.497.124
Profit due to shareholding restructuring of joint venture	21	**-**	(2.007.273)
Reversal of impairment loss on doubtful debts	23	**-**	(2.020)
Interest income	7	**(2.426)**	(878)
Interest expense	11,21	**1.193.036**	1.550.214
Share of profit of investments accounted for using the equity method	19	**(3.250.093)**	(1.631.754)
Reversal of provision for dismantling machinery and equipment	6	**(162.136)**	-
Fair value losses of investment property	6	**505.000**	645.000
		(957.097)	(1.314.358)
Changes in working capital:			
Inventories		**-**	(6.478)
Trade and other receivables		**126.537**	781.032
Trade and other payables and provisions		**(476.368)**	1.048.488
Cash (used in)/from operations		**(1.306.928)**	508.684
Tax paid		**(3.667)**	(12.766)
Net cash (used in)/from operating activities		**(1.310.595)**	495.918
Cash flows from investing activities			
Purchases of property, plant and equipment	16	**(4.203)**	(35.329)
Interest received		**2.426**	878
Effect of loss of control in subsidiary	21	**-**	9.533.916
Additions in investment property	17	**(22.200)**	(17.655)
Proceeds from dividends received		**2.183.975**	-
Net cash from investing activities		**2.159.998**	9.481.810

Consolidated statement of cash flows for the year ended 31 December 2015 (continued)

	Note	**2015** €	2014 €
Cash flows from financing activities			
Repayments of bank borrowings		**(510.212)**	(377.891)
Proceeds from new borrowings		**3.913.051**	468.172
Proceeds from loans from related parties	31 (vi)	**-**	781.756
Repayments of loans from related parties	31 (vi)	**(418.205)**	(56.539)
Interest paid		**(933.435)**	(1.028.770)
Net cash from/(used in) financing activities		**2.051.199**	(213.272)
Net increase in cash, cash equivalents and bank overdrafts		**2.900.602**	9.764.456
Cash, cash equivalents and bank overdrafts at beginning of year		**(2.332.206)**	(12.096.662)
Cash, cash equivalents and bank overdrafts at end of year	24	**568.396**	(2.332.206)

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Company's statement of cash flows
for the year ended 31 December 2015

	Note	2015 €	2014 €
Cash flows from operating activities			
Loss it before tax		**(3.544.311)**	(358.180)
Adjustments for:			
Dividend income	7	**(2.183.975)**	(636.993)
Interest income	7	**-**	(247)
Interest expense	11	**767.978**	812.396
Impairment of investment in subsidiary	6	**2.093.185**	-
Impairment of receivable with related party	6	**2.625.162**	-
		(241.961)	(183.024)
Changes in working capital:			
Trade and other receivables		**(268.691)**	(1.978.292)
Trade and other payables		**(1.454.571)**	1.623.701
Cash used in operations		**(1.965.223)**	(537.615)
Tax paid		**-**	(263)
Net cash used in operating activities		**(1.965.223)**	(537.878)
Cash flows from investing activities			
Interest received		**-**	247
Proceeds from dividends received		**2.183.975**	272.997
Net cash from investing activities		**2.183.975**	273.244
Cash flows from financing activities			
Repayments of bank borrowings		**-**	(254.682)
Repayments of loans from related parties	31 (vi)	**(408.669)**	-
Proceeds from new borrowings		**2.990.757**	1.202.928
Interest paid		**(458.578)**	(570.394)
Net cash from financing activities		**2.123.510**	377.852
Net increase in cash, cash equivalents and bank overdrafts		**2.342.262**	113.744
Cash, cash equivalents and bank overdrafts at beginning of year		**(1.578.286)**	(1.692.030)
Cash, cash equivalents and bank overdrafts at end of year	24	**763.976**	(1.578.286)

The notes on pages 23 to 90 are an integral part of these financial statements.

The Cyprus Cement Public Company Limited

Notes to the financial statements

1 General information

Country of incorporation

The Cyprus Cement Public Company Limited (the “Company”) was incorporated in Cyprus in 1951, as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113 and later became a public company. The Company is listed on the Cyprus Stock Exchange. The registered office of the Company is at 197 Makariou III Avenue, Gala Tower, CY-3030 Limassol, Cyprus.

Principal activities

The principal activities of the Group, are the development/exploitation of land and the undertaking of strategic investments in companies operating in hotel and tourism industry and in the manufacturing and sale of cement and related business.

Operating environment of the Group and the Company

Following three years of economic recession, the Cyprus economy has recorded positive growth in the first half of 2015. As from April 2015, the restrictive measures and capital controls which were in place since March 2013 have been lifted. In recognition of the progress achieved on the fiscal front and the economic recovery, as well as the enactment of the foreclosure and insolvency framework, the international credit rating agencies have upgraded the credit ratings for the Cypriot sovereign, however the rating continues to be "non-investment grade". At the same time there are some major downside risks emanating from the high level of non-performing loans in the banking sector and the limited availability of credit.

This operating environment, could affect (1) the ability of the Company/ the Group to obtain new borrowings or re-finance its existing borrowings at terms and conditions similar to those applied to earlier transactions, (2) the ability of the Company's/ Group’s trade and other debtors to repay the amounts due to the Company/ the Group (3) the cash flow forecasts of the Company’s/ Group’s management in relation to the impairment assessment for financial and non-financial assets.

1 General information (continued)

Operating environment of the Group and the Company (continued)

The management of the Company and the Group has assessed:

(1) Whether any impairment allowances are deemed necessary for the financial assets carried at amortized cost by considering the economic situation and outlook at the end of the reporting period. Impairment of trade and other receivables is determined using the “incurred loss” model required by International Accounting Standard 39 “Financial Instruments: Recognition and Measurement”. This standard requires recognition of impairment losses for receivables that arose from past events and prohibits recognition of impairment losses that could arise from future events, no matter how likely those future events are.

(2) The fair value of investment property owned (Note 4).

(3) The ability of the Group to continue as a going concern (Note 2).

The Group’s and the Company’s Board of Directors is unable to predict all developments which could have an impact on the Cyprus economy and consequently, what effect, if any, they could have on the future financial performance, cash flows and financial position of the Group and the Company.

On the basis of the evaluation performed, the Group’s and the Company’s management has concluded that no provisions or impairment charges, other than as disclosed in the financial statements, are deemed necessary.

The Group’s and the Company’s management believes that it is taking all the necessary measures to maintain the viability of the Group and the Company and the development of its business in the current business and economic environment.

2 Summary of significant accounting policies

The principal accounting policies applied 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.

Basis of preparation

The consolidated financial statements of The Cyprus Cement Public Company Limited and its subsidiaries (together the “Group”) and the separate financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), and the requirements of the Cyprus Companies Law, Cap. 113.

As of the date of the authorisation of the financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2015 have been adopted by the EU through the endorsement procedure established by the European Commission, with the exception of certain provisions of IAS 39 “Financial Instruments: Recognition and Measurement” relating to portfolio hedge accounting.

2 Summary of significant accounting policies (continued)

Basis of preparation (continued)

The financial statements have been prepared under the historical cost convention, as modified by the revaluation in fair value of land and buildings, investment property and available-for-sale financial assets.

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 and the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Going concern

During the year ended 31 December 2015, the Group incurred a profit of €739.315 (2014: loss of €1.449.230) and as at 31 December 2015, its current liabilities exceeded its current assets by €612.415 (2014: €2.518.054). The availability and accessibility of liquid assets (cash) that will allow the Group to repay its liabilities promptly are important factors in the assessment of the Group to apply the going concern basis for the preparation of the consolidated financial statements.

The financial conditions described in Note 1, could have adverse impact on the valuation of the Group's property, on its ability to secure adequate liquidity or financing, and on the revenue due to a potential decrease in demand for products and services offered by the Group due to reduced consumer purchasing power. The deterioration in operating conditions could also have an impact on the cash flow forecasts of the Group's management and their assessment for the impairment of financial and non-financial assets.

The consolidated and separate financial statements have been prepared on a going concern basis, which provides the realization of assets and fulfilment of liabilities in the normal course of business. Therefore, the financial statements do not include any adjustments relating to the recovery of assets and the amount and classification of liabilities or any other adjustments that may be necessary.

The Board of Directors of the Company believes that the preparation of these consolidated financial statements and separate financial statements on a going concern basis is appropriate for the following reasons:

(i) The Group was able to raise the necessary liquidity to fund its operations for at least 12 months from the balance sheet date from financial institutions. Additionally, based on a valuation conducted during the year ended 31 December 2015, the market value of the immovable property exceeds significantly the levels of the Group's borrowings and the Group's management believes that it will be able to ensure additional liquidity in the future, if necessary.

(ii) During 2014, the subsidiary C.C.C. Tourist Enterprises Public Company Limited reached an agreement, according to which its investment in L' Union would be restructured as disclosed in Note 21. Further to the reorganization and renovation of the Le Meridien Limassol Spa and Resort (owned by L' Union), it is expected that the Group's liquidity will improve.

(iii) During 2015, the Group has agreed with financial institutions for the rescheduling of bank loans (Note 26).

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs

During the current year the Company/ the Group 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 2015. This adoption did not have a material effect on the accounting policies of the Company/ the Group.

At the date of approval of these financial statements a number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company/ the Group, except the following set out below:

- Annual Improvements to IFRSs 2012 (issued in December 2013 and effective from the commencement date of its first financial year starting on or after 1 February 2015). The improvements consist of changes to seven standards. IFRS 2 was amended to clarify the definition of a ‘vesting condition’ and to define separately ‘performance condition’ and ‘service condition’; The amendment is effective for share-based payment transactions for which the grant date is on or after 1 July 2014.IFRS 3 was amended to clarify that (1) an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32, and (2) all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in profit and loss. Amendments to IFRS 3 are effective for business combinations where the acquisition date is on or after 1 July 2014. IFRS 8 was amended to require (1) disclosure of the judgements made by management in aggregating operating segments, including a description of the segments which have been aggregated and the economic indicators which have been assessed in determining that the aggregated segments share similar economic characteristics, and (2) a reconciliation of segment assets to the entity’s assets when segment assets are reported. The basis for conclusions on IFRS 13 was amended to clarify that deletion of certain paragraphs in IAS 39 upon publishing of IFRS 13 was not made with an intention to remove the ability to measure short-term receivables and payables at invoice amount where the impact of discounting is immaterial. IAS 16 and IAS 38 were amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. IAS 24 was amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (‘the management entity’), and to require to disclose the amounts charged to the reporting entity by the management entity for services provided.

- Annual Improvements to IFRSs 2014 (issued on 25 September 2014 and effective for annual periods beginning on or after 1 January 2016). The amendments impact 4 standards. IFRS 5 was amended to clarify that change in the manner of disposal (reclassification from "held for sale" to "held for distribution" or vice versa) does not constitute a change to a plan of sale ore distribution, and does not have to be accounted for as such. The amendment to IFRS 7 adds guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement, for the purposes of disclosures required by IFRS 7. The amendment also clarifies that the offsetting disclosures of IFRS 7 are not specifically required for all interim periods, unless required by IAS 34.The amendment to IAS 19 clarifies that for post-employment benefit obligations, the decisions regarding discount rate, existence of deep market in high-quality corporate bonds, or which government bonds to use as a basis, should be based on the currency that the liabilities are denominated in, and not the country where they arise. IAS 34 will require a cross reference from the interim financial statements to the location of "information disclosed elsewhere in the interim financial report".

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs (continued)

- IFRS 9 “Financial Instruments: Classification and Measurement” (issued in July 2014 and effective for annual periods beginning on or after 1 January 2018). Key features of the new standard are:

  (i) Financial assets are required to be classified into three measurement categories: those to be measured subsequently at amortised cost, those to be measured subsequently at fair value through other comprehensive income (FVOCI) and those to be measured subsequently at fair value through profit or loss (FVPL).

  (ii) Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in other comprehensive income, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss.

  (iii) Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The key change is that an entity will be required to present the effects of changes in own credit risk of financial liabilities designated at fair value through profit or loss in other comprehensive income.

  (iv) IFRS 9 introduces a new model for the recognition of impairment losses – the expected credit losses (ECL) model. There is a ‘three stage’ approach which is based on the change in credit quality of financial assets since initial recognition. In practice, the new rules mean that entities will have to record an immediate loss equal to the 12-month ECL on initial recognition of financial assets that are not credit impaired (or lifetime ECL for trade receivables). Where there has been a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL. The model includes operational simplifications for lease and trade receivables.

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs (continued)

- Equity Method in Separate Financial Statements - Amendments to IAS 27 (issued on 12 August 2014 and effective for annual periods beginning 1 January 2016). The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after 1 January 2016. These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary.

- Disclosure Initiative Amendments to IAS 1 (issued in December 2014 and effective for annual periods on or after 1 January 2016). The Standard was amended to clarify the concept of materiality and explain that an entity need not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material, even if the IFRS contains a list of specific requirements or describes them as minimum requirements. The Standard also provides new guidance on subtotals in financial statements, in particular, such subtotals (a) should be comprised of line items made up of amounts recognised and measured in accordance with IFRS; (b) be presented and labelled in a manner that makes the line items that constitute the subtotal clear and understandable; (c) be consistent from period to period; and (d) not be displayed with more prominence than the subtotals and totals required by IFRS.

The Company and the Group are currently assessing the impact of the above amendments on its financial statements.

2 Summary of significant accounting policies (continued)

Consolidated financial statements

The consolidated financial statements include the financial statements of The Cyprus Cement Public Company Limited (the “Company”), its subsidiary companies, which are collectively referred to as the “Group”.

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the following;

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest’s proportionate share of the acquired entity’s net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired entity and the fair value of any previous equity interest in the acquired entity at the acquisition date over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity’s incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2 Summary of significant accounting policies (continued)

Consolidated financial statements (continued)

(1) Subsidiaries (continued)

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profit and losses resulting from inter-company transactions that are recognised in assets are also eliminated. When necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet.

When the Group ceases to have control over an entity, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(2) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Investments in associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition net of any accumulated impairment losses.

Dividends received or receivable from associate are recognised as a reduction in carrying amount of the investment.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

2 Summary of significant accounting policies (continued)

Consolidated financial statements (continued)

(3) Investments in associates (continued)

The Group's share of post-acquisition profits or losses of associates is recognised in the income statement and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary, to ensure consistency with the accounting policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in profit or loss.

After application of the equity method, including recognising the associates' losses, the carrying amount of the investment in associate which includes the goodwill arising on acquisition is tested for impairment by comparing its recoverable amount with its carrying amount whenever there is an indication of impairment and recognizes the amount adjacent to 'share of profit/(loss)' of associates in the profit or loss.

The Group ceases to equity account from the date that it loses significant influence over the associate or from the date the investment is classified as held for sale.

When the group ceases to exercise significant influence over an associate, any retained interest in the entity is remeasured to its fair value. In addition, the Group recognizes in profit or loss any difference between (i) the fair value of the retained interest and any income from the sale of the share in the associate and (ii) the carrying amount of the investment on the date that the Group lost significant influence over the associate.

When an entity ceases to be recognised as an associate and it is afterwards recognised as a financial asset in accordance with IAS 39 "Financial Instruments: Recognition and Measurement", the fair value of the retained interest in the associate is considered to be the fair value of the financial asset on initial recognition.

Any gain or loss previously recognised in the statement of comprehensive income, in respect of the investment in the associate, is transferred to the profit or loss on the date the Group loses significant influence over the associate.

2 Summary of significant accounting policies (continued)

Separate financial statements of the Company

(1) Investments in subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are measured at cost less impairment. Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the estimates used to determine the recoverable amount.

(2) Investments in associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are measured at cost less impairment. Investments in associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the estimates used to determine the recoverable amount.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors of the Group (the chief operating decision-maker). The Board of Directors, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

Revenue recognition

Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for the sale of goods and services in the ordinary course of the Group's and Company's activities, net of value added taxes, returns and discounts.

The Group and the Company recognise revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's and Company's activities as described below. The Company and the Group base their estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenues earned by the Group and the Company are recognised on the following bases:

2 Summary of significant accounting policies (continued)

Revenue recognition (continued)

(i) Sales of services

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

(ii) Interest income

Interest income is recognised using the effective interest method. When a loan or receivable is impaired, the Company/Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans and receivables are recognised using the original effective interest rate.

(iii) Dividend income

Dividend income is recognised when the right of the Company/Group to receive payment is established. However the investment may need to be tested for impairment as a consequence.

Employee benefits

Social insurance contributions

The Group and the employees contribute to the Government Social Insurance Fund based on employees' salaries. The scheme is funded by payments from employees and by the Group. The Group's contributions are expensed as incurred and are included in staff costs. The Group has no further payment obligations once the contributions have been paid. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 Summary of significant accounting policies (continued)

Foreign currency translation

(i) Functional and presentation currency

Items included in the Group's and Company's financial statements are measured using the currency of the primary economic environment in which the Group and Company operate ("the functional currency"). The financial statements are presented in Euro (€), which is the Group's and Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss within "finance costs". All other foreign exchange gains and losses are presented in profit or loss within "other (losses)/gains – net".

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which the Company/ the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 Summary of significant accounting policies (continued)

Current and deferred income tax (continued)

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Company/ the Group where there is an intention to settle the balances on a net basis.

Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Groiup's financial statements in the year in which the dividends are appropriately authorised and are no longer at the discretion of the Group. More specifically, interim dividends are recognised as a liability in the period in which these are authorised by the Board of Directors and in the case of final dividends, these are recognised in the period in which these are approved by the Group's shareholders.

Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use (including the loss of control of a subsidiary holding the assets), within twelve from the reporting date. These assets can be part of an entity, a group of assets held for sale or a non-current asset.

Assets are classified as 'held for sale' when all the following conditions are met: (a) assets must be available for immediate sale in its present condition, (b) the management of the Group has approved and initiated an active programme to locate a buyer (c) assets must be actively marketed for sale at a price that is reasonable in relation to its current fair value (d) the sale should be expected to qualify for recognition as a completed sale within one year and (e) it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets or disposal groups classified as 'held for sale' in the current period balance sheet are not reclassified in the are not reclassified in the prior period balance sheet to reflect current period's classification.

2 Summary of significant accounting policies (continued)

Non-current Assets held for sale and discontinued operations (continued)

A disposal group is a group of assets (current or non-current) to be disposed of, by sale or otherwise, together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction. The Group includes goodwill if the disposal group includes an operation within the cash-generating unit to which goodwill has been allocated at the acquisition.

Disposal groups are measured in total at the lower of its carrying amount and fair value less costs to sell.

Liabilities directly related to the disposal group which will be transferred during the sale are reclassified and presented separately in the consolidated balance sheet.

A discontinued operation is a component of the disposal group (cash generating unit) that has either been disposed of, or classified as held for sale, and (a) represents a separate major line of business or geographical area of operation, (b) is part of a single coordinated plan to dispose of a major line of business or geographical area of operation or (c) is a subsidiary acquired exclusively with a view to resale. Profit or loss and cash flows of discontinued operations are presented separately from continuing operations and corresponding amounts of prior period are re-presented in order to evaluate the financial impact of the discontinued operations.

Property, plant and equipment

Land and buildings, are shown at fair value, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Revaluations are carried out with sufficient regularity to ensure that the carrying amount at the balance sheet date does not differ materially from that which would be determined using fair value at the balance sheet date. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and credited to other reserves in shareholders’ equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset’s original cost is transferred from “fair value reserves” to “retained earnings”.

Buildings and equipment developed on leased land are depreciated over the shorter of their estimated useful lives and the lease period.

Land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight line method to allocate their cost or revalued amounts to their residual values, over their estimated useful lives. The annual depreciation rates are as follows:

Buildings	25 to 50 years
Plant and machinery	10 to 20 years
Motor vehicles	5 to 8 years
Furniture and fittings	3 to 20 years
Cutlery and linen	4 years

2 Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which they were incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group/Company and the cost of the asset can be measured reliably.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are recognised in “other (losses)/gains – net” in profit or loss.

When revalued assets are sold, the amounts included in the other reserves are transferred to retained earnings.

Leases

Leases of property, plant and equipment where the Company/the Group has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease.

Investment property

Investment property, principally comprising land, is held for capital appreciation. Investment property is carried at fair value, representing open market value.

Goodwill

Goodwill arises on the acquisition of businesses, and represents the excess of the consideration transferred over the Group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2 Summary of significant accounting policies (continued)

Impairment of non financial assets

Assets that have an indefinite useful life, including goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

(i) Classification

The Company and the Group classify their financial assets in the following categories: available for sale financial assets and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

- **Loans and receivables**

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and for which there is no intention of trading the receivable. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. The Company's/Group's loans and receivables comprise "trade and other receivables" and "cash and bank balances" in the balance sheet.

- **Available for sale financial assets**

Available for sale financial assets are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets, unless management intends to dispose of the investment within twelve months of the balance sheet date.

(ii) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade date which is the date on which the Group and the Company commit to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all risks and rewards of ownership.

Available for sale financial assets are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

2 Summary of significant accounting policies (continued)

Financial assets (continued)

(ii) Recognition and measurement (continued)

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit or loss, while translation differences on non monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss as “gains and losses on available-for-sale financial assets”.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit or loss as part of other income. Dividends on available-for-sale equity instruments are recognised in profit or loss as part of other income when the Company's/Group’s right to receive payments is established.

(iii) Impairment of financial assets

The Group and the Company assess at the balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Company/the Group may measure impairment on the basis of an instrument’s fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor’s credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

2 Summary of significant accounting policies (continued)

Financial assets (continued)

(iii) Impairment of financial assets (continued)

In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through the profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company/Group or the counterparty.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company/the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in profit or loss.

2 Summary of significant accounting policies (continued)

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

Provisions

Provisions are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried 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, unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalised as part of the cost of that asset.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment (for liquidity services) and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowing costs are interest and other costs that the Group/Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

2 Summary of significant accounting policies (continued)

Borrowings (continued)

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Group and the Company and the costs can be measured reliably.

Borrowings are classified as current liabilities, unless the Group and the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

Cash and cash equivalents

In the statement of cashflows, cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less and bank overdrafts. In the balance sheet bank overdrafts are shown within borrowings in current liabilities.

3 Financial risk management

(i) Financial risk factors

The Company's and Group's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk), credit risk and liquidity risk.

The risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance. Risk management is carried out by the Board of Directors.

- **Market risk**

  Cash flow interest rate risk

  The Group and the Company have interest bearing assets, which mainly represent cash held at bank. These balances bear interest at market variable rates. Any changes in market rates would not have significant effect on the profit/loss for the year.

  The Group's and Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company and the Group to cash flow interest rate risk. The Board of Directors monitors the interest rate fluctuations on a continuous basis and acts accordingly.

3 Financial risk management (continued)

(i) Financial risk factors (continued)

- **Market risk (continued)**

Cash flow interest rate risk (continued)

At 31 December 2015 and 2014, if interest rates on Euro denominated borrowings fluctuated as described below, with all other variables held constant, the post tax profit/loss for the year would have been affected as presented in the table below:

	The Group		The Company	
	Interest rate higher/lower	**Effect on Profit/loss for the year**	**Interest rate higher/lower**	**Effect on loss for the year**
	%		%	
2015				
Euro	0,5	€120.693 Lower/higher	0,5	€80.583 higher/lower
2014				
Euro	0,5	€99.842 higher/lower	0,5	€64.395 higher/lower

The effect on profit/ loss for the year is a result of higher/lower interest expense on floating rate borrowings.

- **Credit risk**

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and financial institutions, only independently rated parties are accepted. See Note 15 for further disclosures on credit risk.

The Board of Directors does not expect any losses from non-performance by these counterparties.

- **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Board of Directors maintains flexibility in funding by maintaining availability under committed credit lines.

The Board of Directors monitors rolling forecasts of the Company’s and Group's liquidity reserve (comprises undrawn borrowing facility (Note 26) and cash and cash equivalents (Note 24) on the basis of expected cash flow.

The table below analyses the Group’s and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months (with the exception of borrowings) equal their carrying balances as the impact of discounting is not significant.

3 Financial risk management (continued)

(i) Financial risk factors (continued)

- **Liquidity risk (continued)**

The Group

	Less than 1 year €	1 to 2 years €	2 to 5 years €	Over 5 years €
At 31 December 2015				
Borrowings	3.613.264	4.609.644	12.706.175	10.667.042
Trade and other payables	174.275	-	-	-
	3.787.539	4.609.644	12.706.175	10.667.042
At 31 December 2014	3.651.63	3.846.044	13.636.429	6,406.051
Borrowings	495.260	-	-	-
Trade and other payables				
	4.146.896	3.846.044	13.636.429	6.406.051

The Company

	Less than 1 year €	1 to 2 years €	2 to 5 years €	Over 5 years €
At 31 December 2015				
Borrowings	1.358.691	2.943.296	9.832.769	7.418.085
Trade and other payables	847.964	-	-	-
	2.206.655	2.943.296	9.832.769	7.418.085
At 31 December 2014				
Borrowings	2.384.237	1.702.008	8.309.707	5.603.864
Trade and other payables	2.135.783	-	-	-
	4.520.020	1.702.008	8.309.707	5.603.864

The liquidity risk arising from corporate guarantees for related parties is disclosed in Note 31 (vii) and in the event of default, the minimum period which they can be called for repayment is within one year.

(ii) Capital risk management

The Company's/Group's objectives when managing capital are to safeguard the Company's/Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders of the Company/Group and to maintain an optimal capital structure to reduce the cost of capital.

3 Financial risk management (continued)

(ii) Capital risk management (continued)

Consistent with others in the industry, the Company/the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt.

The gearing ratios at 31 December 2015 and 2014 were as follows:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Total borrowings (Note 26)	**24.162.903**	22.821.057	**16.116.560**	14.718.871
Less: cash and cash equivalents (Note 24)	**(1.031.823)**	(13.699)	**(1.028.423)**	(13.208)
Net debt	**23.131.080**	22.807.358	**15.088.137**	14.705.663
Total equity	**269.971.533**	272.178.032	**264.906.526**	268.450.837
Total capital as defined by management	**293.102.613**	294.985.390	**279.994.663**	283.156.500
Gearing ratio	8%	8%	**5%**	5%

The Company/Group considers equity as shown on the face of the balance sheet plus net debt as capital.

(iii) Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

3 Financial risk management (continued)

(iii) Fair value estimation (continued)

The following table presents the Group's financial assets that are measured at fair value at 31 December 2015.

	Level 3 €	Total €
At 31 December 2015		
Assets		
Available-for-sale financial assets:		
- Equity securities	20.702.980	20.702.980
Total financial assets measured at fair value	20.702.980	20.702.980

The following table presents the changes in Level 3 investments for the year ended 31 December 2015:

	Equity securities €	Total €
Transfer from investment in associates (Note 19)	23.700.466	23.700.466
Fair value loss transferred to other comprehensive income	(2.997.486)	(2.997.486)
At 31 December 2015	20.702.980	20.702.980

The carrying value less provision for impairment of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Company / the Group for similar financial instruments.

(iv) Offsetting financial assets and liabilities

The Group and the Company do not have any financial assets or financial liabilities that are subject to offsetting, enforceable master netting arrangements or any similar agreements.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical accounting estimates and assumptions

The Company/Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- **Fair value of investment property**

  The fair value of the investment property is based on observable comparable information, including expected selling prices. Where observable comparable information are not available, the fair values are determined by independent professional qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued.

  The valuations of the investment properties performed by professional qualified valuers were based on valuation techniques which incorporate comparable prices, where available, adjusted to reflect the uniqueness of the properties and their specific physical characteristics.

  The fair value of investment property is based on valuations carried out by external, independent professional valuers, who hold recognised and relevant professional qualifications, and have relevant experience of the location and segment of the investment property being valued. The estimates were based primarily on comparable sale prices from recent transactions for similar assets adjusted to reflect the special nature and the uniqueness of the investment property and its urban planning characteristics.

  The key assumptions used for estimating the fair value of investment property include:

  - Implementation of the provisions of the Local Development Plan and the provision of the increased building coefficient for the development of large-scale properties.
  - Estimates for the net buildable square meters for the implementation of infrastructure works.

  For investment properties (land for development) of the Group which are not valued by external valuators or there are no available observable comparable information, the management of the Group estimates the fair value based on discounted cash flows which incorporate the proposed development plan of the land as this was set by the Group.

  The key assumptions used by the management of the Group for estimating the fair value based on discounted cash flows include:

  - Average selling price of residential units
  - Sales velocity of residential units
  - Average cost of construction of residential units
  - Discount factor.

4 Critical accounting estimates and judgements (continued)

(i) Critical accounting estimates and assumptions (continued)

- **Fair value of investment property**

  The economic crisis and the uncertain economic conditions had a significant impact on the real estate sector. The unavailability of financing and the instability of the market, and hence the unavailability of adequate comparable sales, combined with other unpredictable economic, political and legal factors, have impacted the degree of accuracy of property valuations. Therefore, the management considers that the valuation of investment property is subject to significant critical judgment and there is a high likelihood that the value of the property may be lower.

  Any negative changes in the above key assumptions would lead to a significant decrease in the fair value of the investment property (Note 17).

- **Fair value of "call option"**

  Based on the agreement signed on 30 September 2014 with the Investor as described in Note 21, the subsidiary CCCT has a call option to request L' Union to issue exclusively shares only to CCCT so that is obtains 50% of the shares in L' Union. The option can be exercised after three years but before the end of six years from the date of the reorganisation (i.e. from 30 September 2017 to 30 September 2020). If the option is exercised the shares will be issued on the fair value as determined by an independent party. The value of the call option has not been recognised in the Group's consolidated financial statements as the Board of Director's considers its value to be insignificant.

- **Fair value of available-for-sale financial assets**

  The fair value of available-for-sale financial assets which are not traded in an active market, is determined using valuation techniques. The Group exercises its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date . The fair value of available-for-sale financial assets is calculated using the method of discounted cash flows.

  The Group has to make assumptions when estimating future cash flows. These assumptions are based on historical trends and future expectations . Although the management believes that the assumptions used to calculate the fair value of the investment are reasonable and appropriate, these can be highly subjective.

4 Critical accounting estimates and judgements (continued)

(i) Critical accounting estimates and assumptions (continued)

- **Reclassification of investment in associate to available-for-sale financial asset**

  An investment in associate is reclassified to available-for-sale financial assets as a result of the Group losing significant influence over the entity's decisions in respect of the entity's financial and corporate policy.

  On 01 January 2015, the Board of Directors of the Group has decided to reclassify the investment in L'Union Nationale (Tourism & Sea Resorts) from "Investments accounted for using the equity method" to "Available-for-sale financial assets". The Board of Directors of the Group believes that this classification better reflects the economic substance in accordance with the degree of influence the Group has over the financial and corporate decisions made by L'Union Nationale (Tourism & Sea Resorts).

  The decision in respect of the reclassification of the investment and the timing of the reclassification, requires significant judgement in different factors, indications and circumstantces, as these are described in IAS 28 "Investments in associates", in order to define whether the Group is in position to exercise significant influence over L'Union Nationale (Tourism & Sea Resorts).

5 Segment information

As per management approach in relation to IFRS 8, the operating segments are presented in accordance with the internal reporting provided to the Board of Directors (the chief operating decision-maker), which is responsible for allocating resources and assessing performance of the operating segment. All operating segments used by the Group meet the definition of a reportable segment as per IFRS 8.

The basic operating segments of the Group for which segment information is presented are as follows:

(1) Investment property

(2) Hotel and tourism – strategic investment in L' Union

(3) Cement - strategic investment in Vassiliko Cement Work Public Company Limited

The segment "other" activities of the Group relates mainly to secretarial and management services provided to related companies of the Group.

The Board of Directors of the Group assesses the performance of the operating segments based on a measure of earnings before interest, taxes, depreciation and amortisation (EBITDA). This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs and impairments when the impairment is the result of an isolated, non-recurring event. Interest income and expenditure are not allocated to segments. Other information presented, is accounted as per the financial statements.

The segment information provided to the management of the Group for the reportable segments is as follows:

5 Segment information (continued)

For the year ended 31 December 2015

	Hotel and Tourism €	Investment property €	Cement €	Other €	Total €
Revenue	-	-	-	575.666	575.666
Loss before interest, taxes, depreciation and amortisation	-	(100.329)	-	(694.632)	(794.961)
Depreciation, impairment and fair value losses	-	505.000	-	16.540	521.540
Income tax credit/(charge)	-	(148)	-	(3.519)	(3.667)
Share of loss from associates	-	-	3.250.093	-	3.250.093
Total segment assets	20.702.980	270.858.206	54.451.702	1.862.272	347.875.160
Total assets includes: Investments in associates	-	-	54.451.702	-	54.451.702
Investments in available-for-sale financial assets	20.702.980	-	-	-	20.702.980
Additions to non-current assets	-	22.200	-	4.203	26.403
Total segment liabilities	-	6.550.177	-	71.352.715	77.902.892

For the year ended 31 December 2014

	Hotel and Tourism €	Investment property €	Cement €	Other €	Total €
Revenue	-	-	-	797.933	797.933
Loss before interest, taxes, depreciation and amortisation	-	(123.217)	-	(784.932)	(908.149)
Depreciation, impairment and fair value losses	-	645.000	-	26.362	671.362
Income tax credit/(charge)	-	100.706	-	(3.268)	97.446
Share of loss from associates	327.538	-	1.304.216	-	1.631.754
Total segment assets	23.700.467	271.341.006	53.333.465	983.430	349.358.368
Total assets includes: Investments in associates	23.700.467	-	53.333.465	-	77.033.932
Additions to non-current assets	-	17.655	-	9.345	27.000
Total segment liabilities	-	6.787.629	-	70.392.402	77.180.031

5 Segment information (continued)

Reconciliation of segment results

A reconciliation of loss before interest, taxes, depreciation and amortisation to loss before tax is as follows:

	2015 €	2014 €
Loss before interest, taxes depreciation and impairment	**(794.961)**	(908.149)
Depreciation, impairment and fair value losses	**(521.540)**	(671.362)
Interest income (Note 7)	**2.426**	878
Operating loss	**(1.314.075)**	(1.578.633)
Finance costs (Note 11)	**(1.193.036)**	(1.272.829)
Share of loss of investments accounted for using the equity method (Note 19)	**3.250.093**	1.631.754
Profit/(Loss) before tax from continuing operations	**742.982**	(1.219.708)

Reconciliation of segment assets and liabilities

Reportable segments' assets are reconciled to total assets as follows:

	2015 €	2014 €
Assets for reportable segments	**347.875.160**	349.358.368
Total assets as per consolidated balance sheet	**347.875.160**	349.358.368

Reportable segments' liabilities are reconciled to total liabilities as follows:

	2015 €	2014 €
Liabilities for reportable segments	**77.902.892**	77.180.031
Unallocated liabilities:		
Current tax liabilities	**735**	305
Total liabilities as per consolidated balance sheet	**77.903.627**	77.180.336

6 Other (losses)/gains - net

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Property, plant and equipment:				
(Loss)/Gain on sale (Note 16)	**-**	(119)	**-**	-
Investment property:				
Fair value losses (Note 17)	**(505.000)**	(645.000)	**-**	-
Investments in subsidiaries:				
Impairment charge (Note 20)	**-**	-	**(2.093.185)**	-
Available-for-sale financial assets:				
Impairment	**-**	(2.848)	**-**	-
Other Losses	**-**	(2.220)	**-**	-
Balances with related parties:				
Impairment charge of receivable from subsidiary (Note 31 (v))	**-**	-	**(2.625.162)**	(2.217)
Reversal of provision for dismantling machinery and equipment (Note 29)	**162.136**	-	**-**	-
	(342.864)	(650.187)	**(4.718.347)**	(2.217)

7 Other income

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Interest income:				
Bank balances	**493**	878	**-**	247
Dividend income (Note 19)	**-**	-	**2.183.975**	636.993
Other income	**1.933**	-	**-**	632
	2.426	878	**2.183.975**	637.872

8 Operating and administrative expenses

The Group

	2015	2014
	€	€
Staff costs (Note 9)	**892.882**	1.075.384
Electricity and fuel costs	**16.165**	19.388
Advertising and promotion costs	**-**	926
Repairs and maintenance costs	**13.657**	14.244
Depreciation	**16.540**	26.362
Other operating costs	**610.059**	590.953
	1.549.303	1.727.257

The Company

	2015	2014
	€	€
Other administration and related costs	**99.737**	105.388
Other operating costs	**142.224**	76.051
	241.961	181.439

9 Staff costs

	The Group		**The Company**	
	2015	2014	**2015**	2014
	€	€	**€**	€
Wages and other contributions	**820.129**	989.828	**-**	-
Social insurance contributions	**72.753**	85.556	**-**	-
	892.882	1.075.384	**-**	-

10 Operating loss

The following expenses have been included in operating losses:

	The Group		**The Company**	
	2015	2014	**2015**	2014
	€	€	**€**	€
Statutory auditor's remuneration for audit services	**38.800**	37.800	**28.000**	27.000
Directors' remuneration (Note 31 (iv))	**311.078**	405.212	**6.000**	6.000
	349.878	443.012	**34.000**	33.000

11 Finance costs

	The Group 2015 €	The Group 2014 €	The Company 2015 €	The Company 2014 €
Interest expense:				
Bank borrowings and overdraft	**965.330**	997.522	**541.582**	539.330
Interest on balances with related parties (Note 31 (iii))	**227.706**	275.250	**226.396**	273.066
Overdue taxation	**-**	57	**-**	-
	1.193.036	1.272.829	**767.978**	812.396

12 Taxation

	The Group 2015 €	The Group 2014 €	The Company 2015 €	The Company 2014 €
Current tax charge:				
Corporation tax	**3.519**	2.997	**-**	-
Defence contribution	**148**	263	**-**	263
Deferred tax (Note 27)				
Origination and reversal of temporary differences	**-**	(100.706)	**-**	-
Tax (charge)/credit	**3.667**	(97.446)	**-**	263

The tax on the Group’s and Company's profit/(loss) before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

	The Group 2015 €	The Group 2014 €	The Company 2015 €	The Company 2014 €
Profit/(Loss) from continued operations before tax	**742.982**	(1.219.708)	**(3.544.311)**	(358.180)
Tax calculated at the applicable corporation tax rate of 12,5%	**92.873**	(152.464)	**(443.039)**	(44.772)
Tax effect of expenses not deductible for tax purposes	**371.268**	159.025	**706.430**	114.930
Tax effect of allowances and income not subject to tax	**(476.184)**	(122.823)	**(272.997)**	(79.734)
Tax effect of losses for which no deferred tax asset has been recognised	**15.409**	18.553	**9.606**	9.576
Defence contribution	**148**	263	**-**	263
Additional tax	**153**	-	**-**	-
Income tax charge	**3.667**	(97.446)	**-**	263

The Company and the Group are subject to income tax on taxable profits at the rate of 12,5%.

As from tax year 2012 brought forward losses of only five years may be utilised. From 1 January 2009 onwards, under certain conditions, interest may be exempt from income tax and be subject only to special contribution for defence at the rate of 10%; increased to 15% as from 31 August 2011, and to 30% as from 29 April 2013.

12 Taxation (continued)

In certain cases dividends received from abroad may be subject to special contribution for defence at the rate of 15%; increased to 17% as from 31 August 2011; increased to 20% as from 1 January 2012; reduced to 17% as from 1 January 2014. In certain cases dividends received from 1 January 2012 onwards from other Cyprus tax resident companies may also be subject to special contribution for defence.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

In accordance with the Income Tax Law, the Company and its subsidiaries, over which the Company controls directly or indirectly of the 75% of their issued share capital, are considered to be a "group" for tax purposes. A company of the "group" may transfer losses and offset them against profits elsewhere in the group.

The tax (charge)/credit relating to components of other comprehensive income is as follows:

Tax effects of components of other comprehensive income

The Group

	Year ended 31 December					
	2015			2014		
	Before tax €	**Tax (charge)/ credit €**	**After tax €**	Before tax €	Tax (charge)/ credit €	After tax €
Associated companies:						
Changes in equity	**(2.945.368)**	**-**	**(2.945.368)**	79.108	-	79.108
Other comprehensive Income	**(2.945.368)**	**-**	**(2.945.368)**	79.108	-	79.108

13 Earnings/ (loss) per share

Earnings/ (loss) per share is calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Basic and fully diluted

	31 December 2015	31 December 2014
Profit/(Loss) from continuing operations attributable to equity holders of the Company- €	**752.861**	(1.205.745)
Profit/(Loss) attributable to equity holders of the Company - €	**752.861**	(1.425.761)
Weighted average number of ordinary shares in issue	**137.610.883**	137.610.883
Profit/(Loss) from continuing operations per share- basic and fully diluted (cent per share)	**0,55**	(0,88)
Profit/(Loss) per share - basic and fully diluted (cent per share)	**0,55**	(1,04)

The Cyprus Cement Public Company Limited

14 Financial instruments by category

The Group

	Loans and receivables €	Available-for-sale €	Total €
31 December 2015			
Assets			
Available-for-sale financial assets	-	20.702.980	20.702.980
Trade and other receivables	423.637	-	423.637
Cash and bank balances	1.031.823	-	1.031.823
Total	1.445.460	20.702.980	22.158.440

	Other financial liabilities €	Total €
Liabilities		
Borrowings	24.162.903	24.162.903
Trade and other payables	174.275	174.275
Total	24.337.178	24.337.178

	Loans and receivables €	Total €
31 December 2014		
Assets		
Trade and other receivables	420.812	420.812
Cash and bank balances	13.699	13.699
Total	434.511	434.511

	Other financial liabilities €	Total €
Liabilities		
Borrowings	22.821.057	22.821.057
Trade and other payables	495.260	495.260
Total	23.316.317	23.316.317

14 Financial instruments by category (continued)

The Company

	Loans and Receivables €	Total €
31 December 2015		
Assets		
Trade and other receivables	118.897	118.897
Cash and bank balances	1.028.423	1.028.423
Total	1.147.320	1.147.320

	Other financial Liabilities €	Total €
Liabilities		
Borrowings	16.116.560	16.116.560
Trade and other payables	847.963	847.963
Total	16.964.523	16.964.523

	Loans and receivables €	Total €
31 December 2014		
Assets		
Trade and other receivables	2.475.368	2.475.368
Cash and bank balances	13.208	13.208
Total	2.488.576	2.488.576

	Other financial liabilities €	Total €
Liabilities		
Borrowings	14.718.871	14.718.871
Trade and other payables	2.135.783	2.135.783
Total	16.854.654	16.854.654

15 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Other receivables				
Group 1	**178.973**	248.222	**118.897**	2.475.368
Group 2	**244.664**	172.590	**-**	-
	423.637	420.812	**118.897**	2.475.368
Cash at bank and short term bank Deposits (1)				
Caa2	**5.447**	-	**5.447**	-
Caa3	**1.025.773**	13.699	**1.022.976**	13.208
	1.031.220	13.699	**1.028.423**	13.208

(1) The remaining balance of "cash and cash equivalents" as per the balance sheet relates to cash in hand.

Group 1 – companies within the group, common control companies, associates and companies with significant influence with no defaults in the past.
Group 2 – other receivables.

None of the financial assets that are fully performing or impaired has been renegotiated in the last year.

The Cyprus Cement Public Company Limited

16 Property, plant and equipment

The Group

	Land and buildings	Machinery and equipment	Motor Vehicles	Furniture and fittings	Cutlery and linen	Total
	€	€	€	€	€	€
At 01 January 2014						
Cost or valuation	101.816.322	7.236.820	425.220	8.321.233	2.116.484	119.916.059
Accumulated depreciation	(8.201.617)	(5.784.590)	(393.088)	(7.014.761)	(964.127)	(22.358.183)
Net book amount	93.614.705	1.452.230	32.112	1.306.472	1.152.357	97.557.876
Year ended 31 December 2014						
Opening net book amount	93.614.705	1.452.230	32.112	1.306.472	1.152.357	97.557.876
Additions	-	22.980	-	12.002	347	35.329
Depreciation charge	(48.785)	(45.770)	(13.032)	(35.794)	(38.408)	(181.789)
Disposals	-	-	-	(119)	-	(119)
Disposal due to loss of control of subsidiary (Note 21)	(93.565.920)	(1.420.019)	-	(1.270.322)	(1.114.296)	(97.370.557)
Closing net book amount	-	9.421	19.080	12.239	-	40.740
At 31 December 2014						
Cost	-	192.064	167.230	193.451	-	552.745
Accumulated depreciation	-	(182.643)	(148.150)	(181.212)	-	(512.005)
Net book amount	-	9.421	19.080	12.239	-	40.740

16 Property, plant and equipment (continued)

	Land and buildings €	Machinery and equipment €	Motor Vehicles €	Furniture and fittings €	Cutlery and linen €	Total €
Year ended 31 December 2015						
Opening net book amount	-	9.421	19.080	12.239	-	40.740
Additions	-	2.008	-	2.195	-	4.203
Depreciation charge	-	(4.035)	(9.540)	(2.965)	-	(16.540)
Disposals	-	-	-	(408)	-	(408)
Closing net book amount	-	7.394	9.540	11.061	-	27.995
At 31 December 2015						
Cost	-	194.072	167.230	195.352	-	556.654
Accumulated depreciation	-	(186.678)	(157.690)	(184.291)	-	(528.659)
Net book amount	-	7.394	9.540	11.061	-	27.995

In the consolidated cash flow statement, proceeds from sale of property, plant and equipment comprise:

	2015 **€**	2014 €
Net book amount	**408**	119
Loss on sale of property, plant and equipment (Note 6)	**-**	(119)
Proceeds from sale of property, plant and equipment	**408**	-

16 Property, plant and equipment (continued)

The Group's fair value reserve includes an amount of €113.967.992 in relation to the revaluation gain of property, which was included in property, plant and equipment up to 2008 and after the termination of cement production operations was transferred to investment property. During 2013, the Company transferred the property to its fully owned subsidiary C.C.C. Real Estate Company Limited as part of the reorganization of the Group and therefore, the revaluation reserve was transferred to retained earnings in the balance sheet of the Company.

The Company

	Motor vehicles €	Furniture and fittings €	Total €
At 1 January 2014			
Cost	118.237	978	119.215
Accumulated depreciation	(118.237)	(978)	(119.215)
Net book value	-	-	-
Year ended 31 December 2014			
Opening net book amount	-	-	-
Depreciation charge	-	-	-
Net book amount at the end of the year	-	-	-
At 31 December 2014			
Cost	118.237	978	119.215
Accumulated depreciation	(118.237)	(978)	(119.215)
Net book amount	-	-	-
Year ended 31 December 2015			
Opening net book amount	-	-	-
Depreciation charge	-	-	-
Net book amount at the end of the year	-	-	-
At 31 December 2015			
Cost	118.237	-	118.237
Accumulated depreciation	(118.237)	-	(118.237)
Net book amount	-	-	-

At 31 December 2015, the Company had property, plant and equipment with cost of €118.237 (2014: €118.237) which were fully depreciated but are still in use by the Company.

Property, plant and equipment which were used as security for the Company's bank borrowings are disclosed in Note 26.

17 Investment property

The Group

Country	Land for development in Cyprus €	2015 Total €	2014 Total €
Fair Value at 1 January	**271.341.006**	**271.341.006**	271.968.351
Additions	**22.200**	**22.200**	17.655
Net loss from fair value adjustments on investment property (Note 6)	**(505.000)**	**(505.000)**	(645.000)
Fair value at 31 December	**270.858.206**	**270.858.206**	271.341.006

The Company

Country	Land in Cyprus €	2015 Total €	2014 Total €
Fair Value at 1 January/31 December	**836.950**	**836.950**	836.950

The Company's/Group's investment property is measured at fair value. The Company/Group holds only one class of investment property being land in Cyprus.

Valuation process

The Company's/ Group's investment properties were valued at 31 December 2014 by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The investment properties were valued by an independent valuer based on the comparable method of valuation.

The comparable prices used for the determination of the fair value of the property at 31 December 2014 were adjusted to reflect the physical characteristics and urban data of the property (planning zones and building coefficient) as well as the market and financial trends and the prospects of the property.

Due to the current status of the Cyprus real estate industry and lack of adequate observable comparable, the valuation of the investment properties has been classified as level 3 on 31 December 2014.

The Group's finance department includes a team that review the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the chief financial officer (CFO) and the Board of Directors. At the financial year end the finance department:

- verifies all major inputs to the independent valuation report,
- assesses property valuation movements when compared to the prior year valuation report; and
- holds discussions with the independent valuer.

The Group's investment properties were valued at 31 December 2015 by the Group's management who holds relevant qualifications, knowledge and recent experience necessary for the valuation of the investment properties held by the Group.

17 Investment property (continued)

Valuation process (continued)

The Group's management estimates that the fair value of the investment properties of €269.471.256 on 31 December 2015, has not changed significantly from the fair value estimation on 31 December 2014, as this is described above. The valuation of the Group's management is based on the discounted cash flows which incorporate the proposed development plan of the land as this was set by the Group.

The key assumptions used by the management of the Group for estimating the fair value include:

-	Average selling price of residential units	€7.650 per s.m.
-	Sales velocity of residential units	12 years (87 annual sales)
-	Average cost of construction of residential units	€2.000 per s.m.
-	Discount factor.	12,00%

Additionally, the management's valuations for the fair value of a Group's investment property of €550.000 on 31 December 2015 were based on the expected selling price as this is described in Note 32. As a result, the Group recognised a fair value loss of €505.000 in 2015 as a result of the difference between the carrying amount of the investment property and the fair value as this has been valued by the Group's management (Note 6).

The management's valuations or the fair value of the Group's/ the Company's investment properties of €836.950, were mainly based on valuation techniques which incorporate the fair values as these were determined by the Department of Land and Surveys and adjusted to reflect market and financial trends and the prospects of the properties.

Due to the current status of the Cyprus real estate market and due to the lack of adequate comparable information, the valuation of the Group's/ Company's investment properties of €270.308.206 have been classified on 31 December 2015 as level 3 valuation since the valuation techniques used incorporate unobservable inputs. The valuation of the Group's investment property of €550.000 has been classified as level 2 on 31 December 2015.

The Company's/Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Investment properties which have been used as securities for the Group's and for the Company's borrowings are disclosed in Note 26.

17 Investment property (continued)

Information about fair value measurement using significant unobservable inputs (Level 3) - 31 December 2015

Property	Valuation	Unobservable inputs	Change in Assumption	Variation/ Sensitivity
Group				
Land for development in Cyprus	269.471.256	Average selling price of residential units	Variation in selling price + / - 5%	+€11.248.676/ -€37.337.582
		Sales velocity of residential units	Variation in selling velocity +/- 1 year	+€3.803.845/ -€23.161.370
		Average cost of construction of residential units	Variation in average cost +/- 10%	-€37.783.241/ +€11.694.334
		Discount factor (WACC)	Increase by 0,5%	-€13.044.453
Land	836.950	Price per square meter €730	Variation in market value of land + / - 15%	+/- €125.543
Company				
Land	836.950	Price per square meter €730	Variation in market value of land + / - 15%	+/- €125.543

Information about fair value measurement using significant unobservable inputs (Level 3) - 31 December 2014

Property	Valuation	Unobservable inputs	Change in Assumption	Variation/ Sensitivity
Group				
Land for development in Cyprus	271.341.006	Price per square meter €230	Variation in market value of land + / - 15%	+/- €40.579.555
		Building coefficient 25%	Reduction in building coefficient (27,5% -35%)	€14.600.000 - €41.000.000 decrease
Company				
Land	836.950	Price per square meter €730	Variation in market value of land + / - 15%	+/- €125.543

18 Group's reorganisation

In October 2013, the Company implemented the Group's reorganisation plan under which the property held by the Company at Moni was transferred to the newly incorporated company C.C.C Real Estate Company Limited at a fair value of €270.569.441. Based on the provisions of reorganisation plan, the Company would also transfer bank loans of €3.737.969 when the relevant authorisations will be granted by the bank. The consideration for the reorganization was €266.831.472 which was settled through the issuance of 999 998 shares of C.C.C. Real Estate Company Limited to the Company. During 2014, the transfer of bank borrowings to the subsidiary was completed.

19 Investments accounted for using the equity method

(i) Investments in Vassiliko Cement Works Public Company Limited and L'Union Nationale (Tourism & Sea Resorts)

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
At beginning of year	**77.033.932**	52.575.658	**52.597.405**	52.957.405
Additions [1]	**-**	23.384.405		-
Transfer to available-for-sale financial Assets [2]	**(23.700.466)**	-	**-**	-
Share of profit after tax	**3.250.093**	1.631.754	**-**	-
Share of changes in equity	**52.118**	79.108	**-**	-
Dividends (Note 7)	**(2.183.975)**	(636.993)	**-**	-
At end of year	**54.451.702**	77.033.932	**52.597.405**	52.957.405

(1) Additions corresponds to the effect of Group's net current assets as presented in note 21.

(2) Investment in L' Union Nationale (Tourism & Sea Resorts) Ltd has been transferred from investment accounted for using the equity method to available-for-sale financial assets due to the fact that the Group has ceased to exercise significant influence over L' Union Nationale (Tourism & Sea Resorts) Ltd during the year ended 31 December 2015 (Note 22).

The Group

The investment of Group in associated companies is as follows:

	Country	**Principal activities**	**% interest held**
2015			
Vassiliko Cement Works Public Company Limited	Cyprus	Production and sale of cement	25,3%
2014			
Vassiliko Cement Works Public Company Limited	Cyprus	Production and sale of cement	25,3%
L'Union Nationale (Tourism and Sea Resorts) Limited	Cyprus	Hotel and tourism	24,98% [1]

(1) Ownership percentage in L'Union held through its subsidiary "CCCT". The Company holds 67,29% in CCCT. The actual effective holding in L'Union is 16,81%.

The associated company Vassiliko Cement Works Public Company Limited is listed on the Cyprus Stock Exchange. On 31 December 2015, the fair value of the investment in associate based on the market price was €23.738.863 (2014: €16.561.813). The market price listed on the stock exchange is not representative since these shares are not traded in an active market.

19 Investments accounted for using the equity method (continued)

(i) Investments in Vassiliko Cement Works Public Company Limited and L'Union Nationale (Tourism & Sea Resorts) (conintued)

The increase of the share capital as well as the change in shareholding structure of L'Union Nationale (Tourism & Sea Resorts) during the year ended 31 December 2014, is as presented in Note 21. As a consequence of those transactions, the investment of the Group in L' Union Nationale (Tourism & Sea Resorts) is classified as joint venture and is accounted for under the equity method in accordance with IFRS 11 for the period from 1 February to 30 September 2014. From 1 October 2014 until 31 December 2014, the Group's investment in L'Union Nationale (Tourism & Sea Resorts) is classified as an investment in associate and is accounted for under the equity method in accordance with IAS 28 "Investments in Associates". On 1 January 2015 the investment in L' Union Nationale (Tourism & Sea Resorts) has been reclassified from "Investment in associates" to "Available-for-sale financial assets" due to the Group's loss of significant influence over the entity (Note 22).

Contingent Liabilities and Commitments

(a) Operating lease commitments – where the investment in associate undertakings are lessees

Non-cancellable lease payments are as follows:

	L'Union Nationale (Tourism and Sea Resorts) Limited		Vassiliko Cement Works Public Company Limited	
	2015	2014	**2015**	2014
	€	€	**€**	€
Within 1 year	**-**	119.000	**108.000**	118.000
Between 2 to 5 years	**-**	476.000	**127.000**	170.000
Later than 5 years	**-**	7.735.000	**91.000**	96.000
	-	8.330.000	**326.000**	384.000

(b) Operating lease commitments – where the investment in associate undertakings are lessors

Minimum non-cancellable lease payments are as follows:

	L'Union Nationale (Tourism and Sea Resorts) Limited		Vassiliko Cement Works Public Company Limited	
	2015	2014	**2015**	2014
	€	€	**€**	€
Within 1 year	**-**	145.000	**130.000**	145.000
Between 2 to 5 years	**-**	555.000	**578.000**	555.000
Later than 5 years	**-**	295.000	**142.000**	295.000
		995.000	**850.000**	995.000

19 Investments accounted for using the equity method (continued)

(i) Investments in Vassiliko Cement Works Public Company Limited and L'Union (continued)

(c) Capital Commitments

On 31 December 2014, the associated company L'Union Nationale (Tourism & Sea Resorts) Limited has capital commitments, mainly relating to renovations of building and other relevant expenses amounting to €17.562.416. There were no capital commitments in respect of the associated company Vassiliko Cement Works Public Company Limited.

On 31 December 2015, there were no capital commitments in respect of the associated company Vassiliko Cement Works Public Company Limited.

Set out below are the summarised financial information of the associated companies:

Summarised balance sheet

	L'Union Nationale (Tourism and Sea Resorts) Limited		Vassiliko Cement Works Public Company Limited	
	2015	2014	**2015**	2014
	€	€	**€**	€
Current assets	**-**	11.278.178	**34.961.000**	31.531.000
Non-current assets	**-**	96.722.142	**265.410.000**	265.471.000
Current Liabilities	**-**	2.875.234	**(12.511.000)**	(14.030.000)
Non-current Liabilities	**-**	9.932.909	**(62.745.000)**	(72.168.000)
Net assets	**-**	95.192.177	**225.115.000**	210.804.000

Summarised statement of comprehensive income

	L'Union Nationale (Tourism and Sea Resorts) Limited		Vassiliko Cement Works Public Company Limited	
	2015	2014	**2015**	2014
	€	€	**€**	€
Revenue		14.516.546	**90.035.000**	84.110.000
Loss for the year		(584.187)	**13.380.000**	5.155.000
Other Comprehensive income/ (losses)		-	**206.000**	346.000
Total comprehensive (loss)/ income for the year		(584.187)	**13.586.000**	5.501.000

The information stated above reflect the amounts presented in the consolidated financial statements of the associate companies.

19 Investments accounted for using the equity method (continued)

(i) Investments in Vassiliko Cement Works Public Company Limited and L'Union (continued)

Summarised reconciliation of financial information

The reconciliation of the summarised financial information is presented to the carrying value of the Investment in associate is as follows:

	Vassiliko Cement Works Public Company Limited	
	2015	2014
	€	€
Summarised financial information		
Net assets at 1 January [1]	**210.273.000**	207.278.000
Profit for the year	**13.380.000**	5.155.000
Other comprehensive income for the year	**206.000**	346.000
Dividends	**(8.632.000)**	(2.518.000)
Special defence contribution-Dividend	**-**	12.000
Net assets at 31 December	**215.227.000**	210.273.000
Share of the investment in associate – 25,3%	**54.451.702**	53.333.412
Carrying value	**54.451.702**	53.333.412

(1) Non-current assets and net assets have been adjusted in order to consider fair value adjustments arising on the acquisition of the associated company.

	L'Union Nationale (Tourism and Sea Resorts) Limited	
	2015	2014
	€	€
Net assets at 31 December	**-**	94.877.767
Share of the investment in associate – 24,98%	**-**	23.700.467
Carrying value	**-**	23.700.467

(ii) Interest of the Group in joint venture L'Union Branded Residences through L'Union Nationale (Tourism and Sea Resorts) Limited.

Up until 31 January 2014, the Group participated in the following unlisted investment in a joint venture through CCCT.

Name of entity	**Country of incorporation**	**Principal activities**	**% of ownership interest 31 December 2014 %**
L'Union Branded Residences	Cyprus	Development and sale of up-market residential properties	**12,5**

From 1 February 2014 and thereafter, the Group's investment in L' Union Nationale (Tourism & Sea Resorts) Limited is accounted for under the equity method and as a result the percentage of participation in the above joint venture is not presented in Group's assets as at 31 December 2014.

19 Investments accounted for using the equity method (continued)

(ii) Interest of the Group in joint venture L'Union Branded Residences through L'Union Nationale (Tourism and Sea Resorts) Limited (continued)

The Company

Investment in associated company is set out below:

	Country	Principal activities	% interest held
2015			
Vassiliko Cement Works Public Company Limited	Cyprus	Production and sale of cement	25,3%
2014			
Vassiliko Cement Works Public Company Limited	Cyprus	Production and sale of cement	25,3%

20 Investments in subsidiaries

The consolidated financial statements include the Company and its subsidiaries together referred to as the "Group". Subsidiaries are all entities over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

	2015	2014
	€	**€**
At the beginning of the year	**282.948.274**	282.948.274
Impairment (Note 6)	**(2.093.185)**	-
At the end of the year	**280.855.089**	282.948.274

Set out below are all the significant subsidiaries registered in Cyprus:

Name	Country of incorporation	Principal activities	% interest held 31 December 2015	31 December 2014
			%	%
CCC Laundries Limited	Cyprus	Dormant	**100,00**	100,00
C.C.C. Tourist Enterprises Public Company Limited	Cyprus	Holding of investments in hotel and tourism industry	**67,29**	67,29
C.C.C. Secretarial Limited	Cyprus	Secretarial and administration services	**53,46**	53,46
C.C.C. Real Estate Company Limited	Cyprus	Holding and development of investment property	**100,00**	100,00
Subsidiaries of CCC Laundries Limited				
White Linen (Famagusta) Limited	Cyprus	Dormant	**63,00**	63,00

20 Investments in subsidiaries (continued)

The minority interest in subsidiary companies on 31 December 2015 was €6.810.331 (2014: €7.804.554) and it mainly relates to the minority interest of C.C.C. Tourist Enterprises Public Company Limited of €6.813.462 (2014: €7.808.181). The minority interest's percentage of C.C.C. Tourist Enterprises Public Company Limited is 32,71%. The share of loss for the year ended 31 December 2015 attributable to the minority interest of C.C.C. Tourist Enterprises Public Company Limited was €14.061 (2014: €23.469).

Summarised financial information on subsidiaries with material non-controlling interests

Summarised consolidated balance sheet

	C.C.C. Tourist Enterprises Public Company Limited	
	2015	2014
	€	€
Current assets	**163.105**	208.614
Current liabilities	**(42.928)**	(44.130)
Net current liabilities	**120.177**	164.484
Non-current assets	**20.710.280**	23.706.445
Non-current liabilities	**-**	-
Net non-current assets	**20.710.280**	23.706.445
Net assets	**20.830.457**	23.870.929

Summarised consolidated income statement

	C.C.C. Tourist Enterprises Public Company Limited	
	2015	2014
	€	€
Profit/(loss) from continued operations	**(42.986)**	259.506
Net Loss for the year	**(42.986)**	(67.463)
Other comprehensive loss	**(2.997.486)**	(11.466)
Total comprehensive loss	**(3.040.472)**	(78.829)
Total comprehensive loss attributed to non-controlling interest	**(994.538)**	(25.818)

20 Investments in subsidiaries (continued)

Summarised consolidated cash flows

	C.C.C. Tourist Enterprises Public Company Limited	
	2015	2014
	€	€
Cash flows from operating activities		
Cash generated from operations	**(38.860)**	448.328
Income tax paid	**(1.715)**	-
Net cash (used in)/generated from operating activities	**(40.575)**	448.328
Net cash from investing activities	**45.409**	9.448.643
Net increase/ (decrease) in cash, cash equivalents and bank overdrafts	4.834	9.896.971
Cash, cash equivalents and bank overdrafts at beginning of year	**(32.362)**	(9.929.333)
Cash, cash equivalents and bank overdrafts at end of year	**(27.528)**	(32.362)

The information above is the amount before inter-company eliminations.

21 Discontinued Operations

(i) Issue of share capital in L'Union Nationale (Tourism and Sea Resorts) Limited and shareholding restructuring

On 23 October 2013, the subsidiary CCCT signed an "Agreement and plan of Subscription" with Emerald Coast Properties Limited, ("Investor"), according to which its subsidiary, L' Union, would issued 20 000 000 shares of a new class at par, with a nominal value of €1 each, to be subscribed by the Investor, with CCCT waiving its pre-emption rights. The completion of the transaction was subject to certain conditions and to due diligence from the Investor.

21 Discontinued Operations (continued)

(i) Issue of share capital in L'Union Nationale (Tourism and Sea Resorts) Limited and shareholding restructuring (continued)

On 31 January 2014, all conditions of the above agreement were satisfied and the subsidiary company by a Special Resolution issued and allotted on the same date 20 000 000 shares with nominal value of €1 each, to the Investor for the subscription price of €20.000.000. After the issue of the said new shares, C.C.C. Tourist Enterprises Public Company Limited and the Investor each had 50% share in L' Union Nationale (Tourism and Sea Resorts) Limited ("L' Union").

The new funds were primarily used for the renovation of the Le Meridien Limassol Spa and Resort which began on November, as well as for the strengthening of the subsidiary's working capital.

The Group recognized a loss of € 1.497.194 from the transaction described above during the year ended 31 December 2014 which is the difference between the carrying value of the net assets of the subsidiary attributable to the Group before and after the completion of the agreement. Further, an amount of €8.934.763 relating to accumulated fair value gains from the revaluation of the hotel incurred prior the agreement have been transferred from fair value reserves to retained earnings.

Set out below are the assets and liabilities of L'Union at the date which the control was lost:

	31 January 2014 €
Property plant and equipment (Note 16)	97.370.557
Investment in partnership	1.150.397
Land under development	790.333
Inventories	758.532
Trade and other receivables	397.800
Cash and cash equivalents	(9.533.916)
Trade and other payables	(3.879.006)
Deferred Tax	(9.932.909)
Borrowings	(54.247.540)
Net assets	**22.874.248**
Share of the net assets of L'Union attributable Group before share capital issue	(22.874.248)
Group's share in the net assets of L'Union at the date of loss of control	21.377.124
Loss from-dilution of control in subsidiary undertaking	**(1.497.124)**

(ii) Additional issue of share capital in L'Union and shareholding restructuring

On 6 June 2014, the subsidiary CCCT signed a Memorandum of Understanding with the investor who held 50% of the issued shares of L 'Union. The issued share capital of L' Union would increase approximately by additional €52,5 million through the issue of new shares to the investor (including the simultaneous waiver of all and any pre-emption rights of CCCT).

21 Discontinued Operations (continued)

(ii) Additional issue of share capital in L'Union and shareholding restructuring (continued)

On 30 September 2014, the shareholding restructuring of L'Union was completed. After the restructuring, the issued share capital of L'Union increased by €52,5 million, by issuing 40 076 336 shares at nominal value of €1,31 per share. Upon completion of the share capital restructuring, CCCT holds 24,98% of the total issued share capital of L 'Union. The proceeds from this issue of shares will be used exclusively for the repayment of bank loans of L 'Union to the Bank of Cyprus Public Company Ltd.

This transaction resulted in an accounting profit of €2.007.272, which resulted from the difference between the book value of the share of net assets of L'Union attributable to the Group before and after the share capital issue.

Set out below is the change in net position of the Group at the date of capital issue:

	30 September 2014 €
Property plant and equipment	96.832.672
Investment in partnership	1.150.397
Land under development	790.333
Inventories	641.431
Trade and other receivables	2.391.905
Cash and cash equivalents	10.442.341
Trade and other payables	(5.574.597)
Deferred Tax	(9.932.909)
Borrowings	(52.662.673)
Net assets	**44.078.900**
Group's net position in L'Union before share capital issue	(22.039.450)
Group's share in L'Union at the date of loss of control (% held-25,02%)	24.046.723
Profit on reorganization of joint venture	**2.007.273**

21 Discontinued Operations (continued)

(iii) Results from discontinued operations

	2014 €
Turnover	440.688
Administrative costs	(844.996)
Depreciation	(155.424)
Net finance cost	(277.385)
Loss before tax	(837.117)
Taxation	-
Net loss of the period from discontinued operations	(837.117)

The above results for the period ended 31 December 2014 relate to the 100% of the results of L' Union for the month of January 2014 only in which period the Group controlled L' Union.

(iv) Effect on cash flows from loss of control in subsidiary company

	31 January 2014 €
L'Union's cash and cash equivalent at the date of loss of control	9.533.916
Effect of loss of control of subsidiary on cash flows	9.533.916

Summarised statement of cash-flows from discontinued operations:

	Period start at 1 January 2014 and ends to 31 January 2014 €
Net cash flows from operating activities	884.465
Net cash flows from investing activities	(25.984)

22 Available-for-sale financial assets

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Transfer from investments accounted for under equity method (Note 19)	**23.700.466**	**-**	**-**	**-**
Fair value loss transferred to other comprehensive income	**(2.997.486)**	**-**	**-**	**-**
	20.702.980	**-**	**-**	**-**

From 01 January 2015, the Board of Directors of the Group has decided to reclassify the investment in L' Union Nationale (Tourism & Sea Resorts) from "Investments accounted for under the equity method" to "Available-for-sale financial assets". The Board of Directors of the Group believes that this classification better reflects the economic substance in accordance with the degree of influence the Group has over the financial and corporate decisions made by L'Union Nationale (Tourism & Sea Resorts) through the Group's representation on the entity's Board of Directors.

The Group and the other investor of L' Union Nationale (Tourism & Sea Resorts) have appointed one and five directors, respectively, on the entity's Board of Directors. The decisions of the Board of Directors are taken based on simple voting majority. In addition, the decisions in the general meeting of the Board of Directors will be taken based on simple voting majority, unless this is defined differently by law.

As a result, during the date of the Group's loss of significant influence over L' Union Nationale (Tourism & Sea Resorts), the investment is valued at fair value, in accordance with IAS 39 "Financial Instruments: Recognition and Measurement".

(i) Valuation technique and key assumptions

The valuation of the fair value of L' Union Nationale (Tourism & Sea Resorts) was conducted by the management of the Group on 31 December 2015, using the method of discounted cash flows. The key asusmptions used for the valuation of the fair value are as follows:

- Discount factor (WACC): 10%
- Duration: 10 years
- Annual incremental rate of revenues: 2%-3%
- Terminal growth rate: 3%

22 Available-for-sale financial assets (continued)

(ii) Sensitivity analysis

The following table shows the possible impact on the fair value of the investment in L' Union Nationale (Tourism & Sea Resorts) on total other comprehensive income, from the variance in the expected profit margin and discount factor. The positive amount reflects the potential net profit and the negative amount reflects the potential net loss in other comprehensive income:

Change in key assumptions	**The Group** **Impact on other comprehensive income** **2015** **€**
Increase by 10% in the profit margin	1.330.801
Decrease by 10% in the profit margin	(1.330.795)
Increase by 0,5% in the discount factor	(2.047.957)
Decrease by 0,5% in the discount factor	2.356.443

The fair value of the investment is included in level 3 (Note 3 (iii)) since the valuation technieque is based on unobservable inputs.

The available for sale financial assets which are not listed are analysed as follows:

	The Group		**The Company**	
	2015 **€**	2014 €	**2015** **€**	2014 €
Euro - functional and presentation currency	**20.702.980**	-	**-**	-

23 Trade and other receivables

	The Group		**The Company**	
	2015 **€**	2014 €	**2015** **€**	2014 €
Trade receivables	**57.673**	1.480	**57.673**	-
Less: Provision for impairment of trade receivables	**(57.673)**	(1.480)	**(57.673)**	-
Trade receivables- net	**-**	-		-
Receivables from related parties (Note 31 (v))	**36.642**	248.222	**118.897**	2.475.368
Other receivables	**765.812**	737.562	**-**	56.793
Less: provision for impairment – other receivables	**-**	(56.793)	**-**	(56.793)
	802.454	928.991	**118.897**	2.475.368

The fair value of trade and other receivables which are due within one year approximates their carrying amount at the balance sheet date.

23 Trade and other receivables (continued)

The Company

As of 31 December 2014, other receivables of €56.793 were impaired and provided for.

As of 31 December 2014, receivables from related parties of €2.474.572 were past due but not impaired.

As of 31 December 2015, receivables from related parties of €118.897 (2014: €796) were fully performing.

As of 31 December 2015, receivables from related parties of €2.625.162 and trade receivables of €57.673 were impaired and provided for.

The Group

As of 31 December 2015, trade receivables of €57.673 (2014: €58.273) were impaired and provided for. The impairment provision was €57.673 on 31 December 2015 (2014: €58.273).

The ageing of the receivables that were provided for is as follows:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Over 6 months	**57.673**	58.273	**57.673**	56.793

Movements in the Company's/Group's provision for impairment of trade receivables are as follows:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
At 1 January	**58.273**	141.628	**56.793**	56.793
Provision for receivables impairment	**-**	-	**880**	-
Unused amounts reversed	**(600)**	(2.020)	**-**	-
Effect due to loss of control of subsidiary	**-**	(81.335)	**-**	-
At 31 December	**57.673**	58.273	**57.673**	56.793

23 Trade and other receivables (continued)

The Group (continued)

The creation and release of provision for impaired receivables have been included in ‘administrative expenses’ in profit or loss (Note 8). Amounts charged to the provision account are generally written off, when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivables mentioned above.

The carrying amounts of the Company's trade and other receivables are denominated in the following currencies:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Euro	**802.454**	928.991	**118.897**	2.475.368

24 Cash and cash equivalents

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Cash at bank and in hand	**1.031.823**	13.699	**1.028.423**	13.208
	1.031.823	13.699	**1.028.423**	13.208

Cash, cash equivalents and bank overdrafts include the following for the purposes of the statement of cash flows:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Cash at bank and in hand	**1.031.823**	13.699	**1.028.423**	13.208
Bank overdrafts (Note 26)	**(463.427)**	(2.345.905)	**(264.447)**	(1.591.494)
	568.396	(2.332.206)	**763.976**	(1.578.286)

The carrying amounts of the Group’s and Company's cash and cash equivalents are denominated in the following currencies:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Euro	**1.031.823**	13.699	**1.028.423**	13.208

Non - cash transactions

The Company

The non-cash transaction during the year ended 31 December 2014 relates to the offsetting of receivable balances during the reorganization (Note 18) through the transfer of bank borrowings and other relevant balances as a result of the reorganization.

25 Share capital and share premium

	31 December 2015			31 December 2014		
	Number of shares	**Ordinary share capital €**	**Share premium €**	Number of shares	Ordinary share capital €	Share premium €
Issued and fully paid						
At beginning of year	**137.610.883**	**59.172.679**	**848.729**	137.610.883	59.172.679	848.729
At end of year	**137.610.883**	**59.172.679**	**848.729**	137.610.883	59.172.679	848.729

The total authorised number of ordinary shares is 200 000 000 shares (2014: 200 000 000 shares) with a nominal value of €0,43 per share (2014: nominal value of €0,43 per share). All issued shares are fully paid.

26 Borrowings

	The Group		The Company	
	2015 €	2014 €	**2015 €**	2014 €
Current				
Bank overdrafts (Note 24)	**463.427**	2.345.905	**264.447**	1.591.494
Bank borrowings	**1.788.891**	321.274	**114.022**	72.024
Borrowings from related companies (Note 31 (vi))	**19.364**	-	**-**	-
	2.271.682	2.667.179	**378.469**	1.663.518
Non-current				
Bank borrowings	**17.386.709**	15.285.949	**11.233.579**	8.215.018
Borrowings from related companies (Note 31 (vi))	**4.504.512**	4.867.929	**4.504.512**	4.840.335
	21.891.221	20.153.878	**15.738.091**	13.055.353
Total borrowings	**24.162.903**	22.821.057	**16.116.560**	14.718.871
Maturity of non-current borrowings				
Between 1 and 2 years	**3.372.528**	3.290.632	**2.009.024**	1.007.462
Between 2 and 5 years	**9.511.963**	10.994.631	**7.446.367**	6.793.699
Over 5 years	**9.006.730**	5.868.615	**6.282.700**	5.254.192
	21.891.221	20.153.878	**15.738.091**	13.055.353

The Company

During the year ended 31 December 2015, the Company reached to an agreement with the financing bank for the restructuring of bank loans of €8.286.251 in order to expand the repayment date of the loan (original repayment date, 2021) to a later date (2027).

26 Borrowings (continued)

The Company (continued)

Additionally, during the year ended 31 December 2015, the Company reached to an agreement with the financing bank for the provision of an additional loan of €7.000.000 which will be provided in tranches based on the Company's financing needs. During the year ended 31 December 2015, the amount of €2.990.757 has been provided to the Company by the financing bank.

The bank loans are repayable as follows:

Bank loans of €8.286.251 and €3.061.351 are repayable by quarterly instalments up until 2027 and by half-yearly instalments up until 2023, respectively.

The bank loans are secured as follows:

(i) By floating charge on the Company's assets.
(ii) By corporate guarantees of the Company's related parties of €27.820.000 (2014: €20.400.000).
(iii) By personal guarantees of the Directors of €28.096.000 (2014: €4.500.000 (Note 31 (viii)).

The Group

During the year ended 31 December 2015, the Group reached to an agreement with the financing bank for the restructuring of bank loans of €11.506.281 in order to expand the repayment date of the loan (original repayment date, 2021) to a later date (2027).

Additionally, during the year ended 31 December 2015, the Group reached to an agreement with another financing bank for the restructuring of bank loans of €3.300.772 in order to expand the repayment date of the loan to a later date (2020).

The bank loans are repayable as follows:

Bank loans of €776.000, €11.506.281, €3.061.351 and €3.330.772 are repayable by half-yearly installments up until 2028, by quarterly instalments up until 2027, by half-yearly instalments up until 2023 and by half-yearly installments up until 2020, respectively.

The bank loans are secured as follows:

(i) By mortgage of Group's land included in investment property for the amount of €28.496.000 (2014 :€21.000.000).
(ii) By floating charge on Group's assets.
(iii) By corporate guarantees of the Group's related parties for the amount of €12.000.000 (2014: €6.400.000).
(iv) By personal guarantees of the Directors for the amount of €26.428.000 (2014: €7.900.00) (Note 31 (viii)).

26 Borrowings (continued)

The weighted average effective interest rates at the balance sheet date were as follows:

	2015	2014
	%	%
Bank overdrafts	**5,10**	6,60
Bank borrowings	**4,84**	5,10
Borrowings from related parties	**4,75**	6,25

The bank borrowings and bank overdrafts are arranged at floating rates. For borrowings at floating rates the interest rate reprises on a monthly basis exposing the Company/the Group to cash flow interest rate risk.

The carrying amounts of short-term bank overdrafts and bank loans approximate their fair value.

The carrying amounts of the borrowings are denominated in the following currencies:

	The Group		**The Company**	
	2015	2014	**2015**	2014
	€	€	**€**	€
Euro	**24.162.903**	22.821.057	**16.116.560**	14.718.871
	24.162.903	22.821.057	**16.116.560**	14.718.871

The exposure of the borrowings to interest rate changes and the contractual repricing dates at the balance sheet date is as follows:

	The Group		**The Company**	
	2015	2014	**2015**	2014
	€	€	**€**	€
6 months or less	**19.639.027**	17.953.128	**11.612.048**	9.878.356

The Company/Group has the following undrawn borrowing facilities:

	The Group		**The Company**	
	2015	2014	**2015**	2014
	€	€	**€**	€
Floating rate:				
Expiring within one year	**5.347.598**	781.097	**5.259.063**	522.879

The facilities expiring within one year are annual facilities subject to review at various dates.

27 Deferred income tax liabilities

The analysis of deferred income tax assets and deferred income tax liabilities are as follows:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Deferred income tax liabilities				
Deferred tax liabilities to be recovered after more than twelve months	**53.565.714**	53.565.714	**53.565.714**	53.565.714
Deferred income tax liabilities - net	**53.565.714**	53.565.714	**53.565.714**	53.565.714

The gross movement on the deferred income tax account is as follows:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
At the beginning of the year	**53.565.714**	63.598.833	**53.565.714**	53.565.714
Charge to profit or loss (Note 12)	**-**	(100.706)	**-**	-
Loss on control of subsidiary	**-**	(9.932.413)	**-**	-
At end of year	**53.565.714**	53.565.714	**53.565.714**	53.565.714

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

The Group

	Difference between depreciation and wear and tear allowance	Revaluation of property, plant and equipment	Investment property	Total
	€	€	€	€
At 1 January 2014	6.086.608	3.846.305	53.665.920	63.598.833
Charged/(credited) to:				
Profit or loss (Note 12)	-	-	(100.706)	(100.706)
Statement of changes in equity:				
Loss of control of subsidiary	(6.086.608)	(3.846.305)	-	(9.932.913)
At 31 December 2014	-	-	53.565.714	53.565.714

	Difference between Depreciation and wear and tear allowance	Revaluation of property, plant and equipment	Investment property	Total
	€	€	€	€
At 1 January 2015/ 31 December 2015	**-**	**-**	**53.565.714**	**53.565.714**

27 Deferred income tax liabilities (continued)

The Company

	Investment in subsidiary companies €	Total €
At 1 January 2014/ 31 December 2014	53.565.714	53.565.714
At 1 January 2015/ 31 December 2015	**53.565.714**	**53.565.714**

28 Trade and other payables

	The Group		The Company	
	2015 €	2014 €	**2015 €**	2014 €
Trade payables	**-**	1.000	**-**	1.000
Payables to related parties (Note 31 (v))	**-**	303.385	**813.962**	2.093.772
Other payables and accrued expenses	**174.275**	190.875	**34.002**	41.011
	174.275	495.260	**847.964**	2.135.783

The fair value of trade and other payables which are due within one year approximates their carrying amount at the balance sheet date.

29 Provisions

	The Group		The Company	
	2015 €	2014 €	**2015 €**	2014 €
Provision for dismantling of machinery and equipment:				
At the beginning of the year	**298.000**	391.215	**-**	391.215
Charged to profit or loss:				
Dismantling expenses incurred	**(135.864)**	(93.215)	**-**	(93.215)
Transfer to subsidiary due to reorganization	**-**	-	**-**	(298.000)
Credited to profit or loss:				
Reversal of provision (Note 6)	**(162.136)**	-	**-**	-
	-	298.000	**-**	-

	The Group		The Company	
	2015 €	**2014 €**	**2015 €**	2014 €
Current	**-**	**298.000**	**-**	-
	-	**298.000**	**-**	-

30 Contingencies and commitments

(i) Operating lease commitments – where the Group is the lessee

The Company leases land from the Cyprus Republic at an annual rental of €8.692, which is included in other operating expenses.

In addition to the above, the Group through its subsidiary CCC Laundries Limited, has obligations relating to leases of industrial plots, numbers 8 and 9, located in the Limassol Industrial Area.

The lease relating to the industrial plot number 8 expired on 30 April 2009 and was renewed for an additional period of 33 years. The subsidiary company has the right to renew it for one more consecutive additional period of 33 years. Lease rent is reviewed every five years. Lease rent for the years ended 2014 and 2015 was €917 per annum.

The lease relating to the industrial plot number 9 ended on 31 January 2010 and was renewed for an additional period of 33 years. The subsidiary has the right to renew it for one more consecutive additional period of 33 years. Lease rent is reviewed every five years. Lease rent for the years ended 31 December 2014 and 2015 was €536,94 per annum.

On the basis of the above, at the end of the year, the future minimum amounts payable under the leases, assuming the leases are renewed for the additional two consecutive 33 years' periods based on the current annual rental fees, are as follows:

	2015	2014
	€	€
Within 1 year	**1.454**	1.454
Between 2 to 5 years	**5.816**	5.816
Later than 5 years	**30.884**	32.338
	38.154	39.608

(ii) Capital commitments

Dismantling of plant and machinery

The capital expenditures, which contracts have been signed for, after the date of balance sheet but not yet completed amounted to €- (2014: €298.000), and they relate to dismantling of plant and machinery and investment property (Note 29).

(iii) Other contingent liabilities of the Company/Group

The Company and the Group guaranteed bank overdrafts and loans of related companies as described in Note 31 (vii)). No significant expenses are expected to arise for the Company/Group with respect to these guarantees.

31 Related party transactions

The Company is controlled by C.C.C. Holdings & Investments Limited (parent company), which is registered in Cyprus. The ultimate holding company is George S. Galatariotis & Sons Limited, also registered in Cyprus.

The related companies are companies under common control, companies controlled by the Directors of the Company and companies exercising significant influence to the Group and the Company.

The following transactions were carried out with related parties:

(i) Purchases of services

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Related companies:				
Secretarial and administration services	**-**	-	**42.840**	59.851
Rent	**162.624**	162.624	**-**	-
	162.624	162.624	**42.840**	59.851

(ii) Sales of services

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Secretarial and administration services:				
Parent company	**5.000**	5.000	-	-
Related companies	**545.823**	752.019	-	-
Ultimate holding company	**24.823**	40.914	-	-
	575.666	797.933	-	-

31 Related party transactions (continued)

(iii) Interest on balances with related parties

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Interest payable (Note 11):				
Parent company	**-**	-	**-**	-
Subsidiary companies	**-**	-	**-**	-
Related company	**227.706**	275.250	**226.396**	273.066
	227.706	275.250	**226.396**	273.066

(iv) Key management personnel and Directors' compensation

The total remuneration of key management personnel (including also Directors' remuneration) was as follows:

	The Group		The Company	
	2015	2014	**2015**	2014
	€	€	**€**	€
Director fees	**6.000**	8.400	**6.000**	6.000
Director emoluments	**305.078**	396.812	**-**	-
Total Directors	**311.078**	405.212	**6.000**	6.000
Remuneration of key management personnel	**78.184**	98.854	**-**	-
	389.262	504.066	**6.000**	6.000

The Group

	Fees	Salaries and employer contributions	Total
	€	€	€
Year ended 31 December 2015			
Executive Directors			
George St. Galatariotis	1.000	75.574	76.574
Costas St. Galatariotis	1.000	100.750	101.750
Stavros G. St. Galatariotis	1.000	56.677	57.677
Tasos Anastasiou	1.000	72.078	73.078
	4.000	305.078	309.078
Non-executive Directors	1.000	-	1.000
Michalis Moushouttas	1.000	-	1.000
Antonis Antoniou			
	2.000	-	2.000
Total	**6.000**	**305.078**	**311.078**

31 Related party transactions (continued)

(iv) Key management personnel and Directors’ compensation (continued)

The Group (continued)

	Fees €	Salaries and employer Contributions €	Total €
Year ended 31 December 2014			
Executive Directors			
George St. Galatariotis	1.400	84.982	86.382
Costas St. Galatariotis	1.400	112.992	114.392
Stavros G. St. Galatariotis	1.400	63.410	64.810
Tasos Anastasiou	1.400	72.078	73.478
Vassos G. Lazarides	-	63.350	63.350
	5.600	396.812	402.412
Non-executive Directors	1.400	-	1.400
Michalis Moushouttas	1.400	-	1.400
Antonis Antoniou			
	2.800	-	2.800
Total	**8.400**	**396.812**	**405.212**

The Company

	Fees €	Salaries and employer contributions €	Total €
Year ended 31 December 2015			
Executive Directors			
George St. Galatariotis	1.000	-	1.000
Costas St. Galatariotis	1.000	-	1.000
Stavros G. St. Galatariotis	1.000	-	1.000
Tasos Anastasiou	1.000	-	1.000
	4.000	-	4.000
Non-executive Directors			
Michalis Moushouttas	1.000	-	1.000
Antonis Antoniou	1.000	-	1.000
	2.000	-	2.000
Total	**6.000**	**-**	**6.000**

31 Related party transactions (continued)

(iv) Key management personnel and Directors' compensation (continued)

The Company (continued)

	Fees €	Salaries and employer contributions €	Total €
Year ended 31 December 2014			
Executive Directors			
George St. Galatariotis	1.000	-	1.000
Costas St. Galatariotis	1.000	-	1.000
Stavros G. St. Galatariotis	1.000	-	1.000
Tasos Anastasiou	1.000	-	1.000
	4.000	-	4.000
Non-executive Directors			
Michalis Moushouttas	1.000	-	1.000
Antonis Antoniou	1.000	-	1.000
	2.000	-	2.000
Total	**6.000**	**-**	**6.000**

(v) Year end balances

	The Group		The Company	
	2015 €	2014 €	**2015 €**	2014 €
Receivable from related parties (Note 23):				
Related companies	**14.678**	32.048	**-**	796
Associated companies	**659**	216.174	**659**	-
Subsidiary companies [(1)]	**-**	-	**117.781**	2.474.572
Ultimate parent company	**21.305**	-	**457**	-
	36.642	248.222	**118.897**	2.475.368
Payable to related parties (Note 28):				
Subsidiary companies	**-**	-	**813.962**	2.093.772
Other related companies	**-**	12.036	**-**	-
Company exercising significant influence to the Group	**-**	291.349	**-**	-
	-	303.385	**813.962**	2.093.772

(1) During the year 2015, the Company recognised an impairment charge against the receivable from its subsidiary entity of €2.625.162, since the Company does not expect that this receivable amount is recoverable (Note 6).

31 Related party transactions (continued)

(v) Year end balances (continued)

Receivable from related and associated companies arose from sales/purchases of services and do not bear interest.

Payables to related parties arose from purchases/sales of services, bear average annual interest at 6,25% (2014: 6,5%) and are repayable on demand.

(vi) Loans from related companies

	The Group		The Company	
	2015	2014	**2015**	**2014**
	€	€	**€**	**€**
Loans from company which exercises significant influence on the Group/Company:				
At beginning of year	**4.867.929**	4.724.462	**4.840.335**	3.832.513
Loans advanced during year	**-**	781.756	**-**	734.756
Repayments during year	**(418.210)**	(56.539)	**(408.669)**	-
Loans transferred to related parties	**(166.750)**	-	**(166.750)**	-
Balance transferred from subsidiary entity	**13.200**	-	**13.200**	-
Effect from loss of control of subsidiary	**-**	(857.000)	**-**	-
Interest paid (Note 31 (iii))	**227.707**	275.250	**226.396**	273.066
At end of year (Note 26)	**4.523.876**	4.867.929	**4.504.512**	4.840.335

The loan from the Company that exercises significant influence on the Group/Company bears average annual interest at 4,75% (2014: 6,25%) and is unsecured. Loans mentioned above are repayable between 2 and 7 years.

(vii) Guarantees for loans provided to related companies

The Group has guaranteed bank loans and overdrafts of related parties as follows:

	2015		2014	
	Guarantees on investment property	**Corporate guarantees**	Guarantees on investment property	Corporate guarantees
	€	**€**	€	€
Ultimate parent company	**4.800.000**	**4.800.000**	4.800.000	4.800.000
Parent company	**13.750.000**	**9.250.000**	9.250.000	9.250.000
Other related companies under common control	**1.770.000**	**1.770.000**	1.770.000	1.770.000
	20.320.000	**15.820.000**	15.820.000	15.820.000

31 Related party transactions (continued)

(vii) Guarantees for loans provided to related companies (continued)

The Company/the Group has guaranteed bank loans and overdrafts of related parties as follows:

	2015		2014	
	Guarantees on investment property €	**Corporate guarantees €**	Guarantees on investment property €	Corporate guarantees €
Subsidiary companies	**-**	**4.926.000**	-	5.937.000

(viii) Personal guarantees of Directors

Bank borrowings and overdrafts of the Company and the Group are secured by personal guarantees of the Directors for the amount of €28.096.000 and €37.936.000 respectively (2014: €4.500.000 and €7.900.000) (Note 26).

32 Events after the balance sheet date

In February 2016, the Group's subsidiary entity has reached to an agreement with a third party for the sale of its property rights over the industrial land and buildings, for the amount of €550.000.

Other than the above, there were no other material events after the balance sheet date, which have a bearing on the understanding of the financial statements.

Independent auditor's report on pages 9 to 10.