SUPERLUBE LIMITED

FINANCIAL STATEMENTS
Year ended 31 December 2017

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Year ended 31 December 2017

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BOARD OF DIRECTORS AND OTHER CORPORATE INFORMATION

Board of Directors	Aspasia Dimea Georgios Gregoras (appointed 15 December 2016) Andreas Stratis (appointed 15 December 2016) Christina Tzizimbourouni (appointed 15 December 2016) Christos Pantechis (appointed 2 January 2017) Antonis Semelides (resigned 2 January 2017) Costakis Lefkaritis (resigned 15 December 2016) Dinos Lefkaritis (resigned 15 December 2016)
Company Secretary	Maria Patsalidou
Independent Auditors	Ernst & Young Cyprus Limited Certified Public Accountants and Registered Auditors Jean Nouvel Tower 6 Stasinou Avenue PO Box 21656 1511 Nicosia, Cyprus
Registered office	3 Ellispontou Street Strovolos, Nicosia 2015 Cyprus
Bankers	Bank of Cyprus Public Company Ltd Hellenic Bank Public Company Ltd

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Independent Auditor's Report

To the Members of Superlube Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Superlube Limited (the "Company"), which are presented in pages 5 to 21 and comprise the statement of financial position as at 31 December 2017, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

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

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the additional information to the statement of comprehensive income in pages 23 to 24, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Board of Directors for the financial statements

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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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 69 of the Auditors Law of 2017 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.

Comparative figures

The financial statements of the Company for the year ended 31 December 2016 were audited by another auditor who expressed an unmodified opinion on those financial statements on 30 June 2017.

Gabriel Onisiforou
Certified Public Accountant and Registered Auditor
for and on behalf of

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors

Nicosia, 5 July 2018

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2017

	Note	**2017** €	2016 €
Revenue	5	**105.819**	701.295
Cost of sales		**(95.231)**	(689.958)
Gross profit		**10.588**	11.337
Other income	6	**-**	42.192
Administration expenses		**(8.036)**	(66.585)
Operating profit/(loss)		**2.552**	(13.056)
Finance costs	9	**(43)**	(2.157)
Profit/(loss) before tax		**2.509**	(15.213)
Tax	10	**-**	(1.006)
Net profit/(loss) for the year		**2.509**	(16.219)

The notes on pages 9 to 21 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
31 December 2017

	Note	**2017** €	2016 €
ASSETS			
Non-current assets			
Property, plant and equipment	13	**-**	-
Current assets			
Tax refundable	14	**1.865**	1.865
Receivables from related companies	18	**23.306**	511.767
Cash at bank and in hand	15	**142.746**	546.384
		167.917	1.060.016
Total assets		**167.917**	1.060.016
EQUITY AND LIABILITIES			
Equity			
Share capital	16	**50.000**	940.500
Retained earnings		**107.020**	104.511
Total equity		**157.020**	1.045.011
Current liabilities			
Trade and other payables	17	**10.897**	6.554
Bank overdrafts	15	**-**	8.451
		10.897	15.005
Total equity and liabilities		**167.917**	1.060.016

On 5 July 2018 the Board of Directors of Superlube Limited authorised these financial statements for issue.

....
Georgios Gregoras
Director

....
Andreas Stratis
Director

The notes on pages 9 to 21 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2017

	Note	Share capital €	Retained earnings (*) €	Total €
Balance at 1 January 2016		**940.500**	**120.730**	**1.061.230**
Comprehensive income				
Net loss for the year		-	(16.219)	(16.219)
Balance at 31 December 2016/ 1 January 2017		**940.500**	**104.511**	**1.045.011**
Comprehensive income				
Net profit for the year		-	2.509	2.509
Transactions with owners				
Reduction of share capital	16	(890.500)	-	(890.500)
Balance at 31 December 2017		**50.000**	**107.020**	**157.020**

* Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

CASH FLOW STATEMENT
Year ended 31 December 2017

	Note	2017 €	2016 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		**2.509**	(15.213)
Adjustments for:			
Depreciation of property, plant and equipment	13	-	17.719
Impairment charge - property, plant and equipment	13	-	69.928
Interest expense	9	**43**	2.157
		2.552	74.591
Changes in working capital:			
Decrease in inventories		-	258.722
Decrease in receivables		**488.461**	348.291
Increase/(Decrease) in trade and other payables		**4.343**	(176.771)
Cash generated from operations		**495.356**	504.833
Tax paid		-	(1.006)
Net cash generated from operating activities		**495.356**	503.827
CASH FLOWS FROM INVESTING ACTIVITIES		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		**(43)**	(2.157)
Payment on cancellation of ordinary shares	16	**(890.500)**	-
Net cash used in financing activities		**(890.543)**	(2.157)
Net (decrease)/increase in cash and cash equivalents		**(395.187)**	501.670
Cash and cash equivalents at beginning of the year		**537.933**	36.263
Cash and cash equivalents at end of the year	15	**142.746**	537.933

The notes on pages 9 to 21 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

1. Corporate information

Country of incorporation

Superlube Limited (the "Company") was incorporated in Cyprus on 14 November 1987 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 3 Ellispontou Street, Strovolos, Nicosia, 2015, Cyprus.

Principal activities

On 18 February 2016 the Board of Directors approved the termination of the production activities of the Company and the redundancy of its personnel by April 2016. The Company continues earning fees for the usage of the pipeline and tank rentals.

2. Summary of significant accounting policies

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

Basis of preparation

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

Adoption of new and revised IFRSs

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2017. This adoption did not have a material effect on the accounting policies of the Company.

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

Revenue recognition

Revenues earned by the Company are recognised on the following bases:

The Company recognises 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 Company's activities as described below. The Company bases its 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 company are recognised on the following bases:

- **Sale of products and services**

  Sales of products and services are recognised when significant risks and rewards of ownership of the products have been transferred to the customer, which is usually when the Company has sold or delivered the products or services to the customer, the customer has accepted the products and collectability of the related receivable is reasonably assured.

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

- **Interest income**

  Interest income is recognised using the effective interest method. When a loan or receivable is impaired, the Company 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 is recognised using the original effective interest rate.

Foreign currency translation

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

(2) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. 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 gains/(losses) net".

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Plant and machinery	10
Leashold improvements	10
Furniture and fixtures	10
Computer equipment	10-20

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

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

Financial instruments

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

Trade receivables

Trade receivables are amounts due from customers for products sold in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the Company 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 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 (more than 60 days overdue) 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.

Financial assets

- 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 reporting date. These are classified as non-current assets. The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise include cash in hand, deposits held at call with banks with original maturity of three months or less and bank overdrafts. In the statement of financial position bank overdrafts are shown within borrowings in current liabilities.

Borrowings

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

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Borrowings (continued)

Borrowing costs are interest and other costs that the 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.

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 Company and the costs can be measured reliably.

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

Trade and other payable

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

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

Derecognition of financial assets and liabilities

Financial assets

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

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

Financial liabilities

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

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

2. Summary of significant accounting policies (continued)

Offsetting financial instruments

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The inventory compromises raw materials and other direct costs. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Share capital

Ordinary shares are classified as equity.

3. Financial risk management

Financial risk factors

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

3.1 Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures, including outstanding receivables mainly from related companies.

Credit risk arising from customers is limited since the company's customers are mainly related parties. For other customers, since there is no independent rating to rely on, the management assesses the credit quality of the customer, taking into account its financial position and market reputation. Individual credit limits and credit terms are set based on the credit quality of the customer in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored. Bank balances comprise mainly of amounts with two banking institutions.

3.2 Liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months, equal their carrying balances as the impact of discounting is not significant.

31 December 2017	Less than 1 year
	€
Trade and other payables	10.897
	10.897

3. Financial risk management (continued)

3.2 Liquidity risk (continued)

31 December 2016	Less than 1 year €
Borrowings	8,451
Trade and other payables	6,554
	15,005

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The management maintains flexibility in funding by maintaining availability under committed credit lines.

3.3 Market risk

3.3.1 Cash flow and fair value interest rate risk

As the Company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

3.4 Capital risk management

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

The capital as defined by management at 31 December 2017 and 2016 consists of equity as shown on the face of the statement of financial position.

3.5 Fair value estimation

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

4. Critical accounting estimates, judgments and assumptions

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.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimate will, by definition, seldom equal related actual results. The estimates and assumptions used have no significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- **Income taxes**

  Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

5. Revenue

	2017	2016
	€	€
Sales of services and goods	105.819	701.295
	105.819	701.295

6. Other income

	2017	2016
	€	€
Write off of payable	-	42.192
	-	42.192

7. Expenses by nature

	2017	2016
	€	€
Raw materials and consumables used	-	502.083
Staff costs (Note 8)	6.000	46.542
Depreciation and amortisation expense	-	17.719
Auditors' remuneration	4.905	7.405
Operating lease payments	-	29.813
Impairment charge of property, plant and equipment (Note 13)	-	69.928
Other expenses	90.986	29.936
Management fees	-	51.258
Materials and consumables	-	724
Bank charges	1.376	1.135
Total cost of goods sold and administrative expenses	103.267	756.543

8. Staff costs

	2017	2016
	€	€
Wages & salaries (ex-gratia)	6.000	40.446
Social insurance costs	-	4.884
Other	-	1.212
	6.000	46.542

The average number of employees employed by the Company during the year 2017 were nil (2016: 3 employees until April 2016).

9. Finance costs

	2017	2016
	€	€
Interest expense	43	2.157
	43	2.157

10. Tax

	2017	2016
	€	€
Corporation tax - current year	-	300
Corporation tax - prior years	-	706
Charge for the year	-	1.00

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

	2017	2016
	€	€
Profit/(loss) before tax	**2.509**	(15.213)
Tax calculated at the applicable tax rates	**314**	(1.902)
Tax effect of expenses not deductible for tax purposes	**44**	11.523
Tax effect of allowances and income not subject to tax	-	(9.896)
Under/(Over) provision of prior year's taxes	-	706
Tax effect of utilisation of previously unrecognised tax losses	**(358)**	575
Tax charge	-	1.006

The corporation tax rate is 12,5%.

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

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years. As at 31 December 2017, the balance of tax losses which is available for offset against future taxable profits amounts to €1.736 (2016: €4.595) for which no deferred tax asset is recognised in the statement of financial position.

11. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

31 December 2017	Loans and receivables
	€
Assets as per statement of financial position:	
Receivables	23.306
Cash and cash equivalents	142.746
Total	**166.052**

	Borrowings and other financial liabilities
	€
Liabilities as per statement of financial position:	
Trade and other payables	10.897
Total	**10.897**

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

11. Financial instruments by category (continued)

31 December 2016	Loans and receivables €
Assets as per statement of financial position:	
Receivables	511.767
Cash and cash equivalents	546.384
Total	1.058.151

	Borrowings and other financial liabilities €
Liabilities as per statement of financial position:	
Borrowings	8.451
Trade and other payables	6.554
Total	**15.005**

12. Credit quality of financial assets

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

	2017 €	2016 €
Fully performing other receivables		
Shareholding company	**23.306**	511.767
	23.306	511.767
Cash at bank and short term bank deposits		
Caa1	**142.746**	546.384
	142.746	546.384

None of the loans and receivables from related parties is past due or impaired.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2017

13. Property, plant and equipment

	Plant and machinery	Leasehold improvement	Fixtures and equipment	Computer equipment	Total
	€	€	€	€	€
Cost					
Balance at 1 January 2016	2.361.153	160.333	17.340	76.406	2.615.232
Balance at 31 December 2016/ 1 January 2017	**2.361.153**	**160.333**	**17.340**	**76.406**	**2.615.232**
Balance at 31 December 2017	**2.361.153**	**160.333**	**17.340**	**76.406**	**2.615.232**
Depreciation					
Balance at 1 January 2016	2.274.016	160.333	17.340	75.896	2.527.585
Charge for the year	17.413	-	-	306	17.719
Impairment charge	69.724	-	-	204	69.928
Balance at 31 December 2016/ 1 January 2017	**2.361.153**	**160.333**	**17.340**	**76.406**	**2.615.232**
Balance at 31 December 2017	**2.361.153**	**160.333**	**17.340**	**76.406**	**2.615.232**
Net book amount					
Balance at 31 December 2017	-	-	-	-	-
Balance at 31 December 2016	-	-	-	-	-

14. Receivables

	2017	2016
	€	€
Receivables from related companies (Note 18.3)	**23.306**	511.767
Tax refundable	**1.865**	1.865
	25.171	513.63

The Company receivables are denominated in the following currencies:

Euro - functional and presentation currency	**25.171**	513.632
	25.171	513.632

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

Concentration of credit risk with respect to trade receivables are very limited due to majority of receivables being due from related parties.

15. Cash at bank and in hand

	2017	2016
	€	€
Cash at bank and in hand	**142.746**	546.384
	142.746	546.384

15. Cash at bank and in hand (continued)

For the purposes of the cash flow statement, the cash and cash equivalents include the following:

	2017	2016
	€	€
Cash at bank and in hand	**142.746**	546.384
Bank overdrafts	**-**	(8.451)
	142.746	537.933

The weighted average effective interest rates at the balance sheet date was ranged between 4,71% - 4,90% (2016: 4,90%).

The Company's bank overdrafts are arranged at floating rates. The interest rate is subject to repricing exposing the Company to cash flow interest rate risk.

As at 31 December 2017 the Company had undrawn borrowing facilities of €299.005 (2016: €290.554).

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

16. Share capital

	2017 Number of shares	**2017 €**	2016 Number of shares	2016 €
Authorised				
Founder shares of €1,71 each	**1.000**	**1.710**	1.000	1.710
Ordinary shares of €1,71 each	**28.240**	**48.290**	549.000	938.790
	29.240	**50.000**	550.000	940.500
		€		€
Issued and fully paid				
Founder shares of €1,71 each	**1.000**	**1.710**	1.000	1.710
Ordinary shares of €1,71 each	**549.000**	**938.790**	549.000	938.790
Less: redemption of ordinary shares	**(520.760)**	**(890.500)**	-	-
Balance at 31 December	**29.240**	**50.000**	550.000	940.500

The total authorised number of ordinary shares is 29.240 shares (2016: 550.000 shares) with a par value of €1,71 per share. All issued shares are fully paid.

On 10 March 2017 the Board of Directors agreed to proceed with a reduction of the Company's authorized and issued share capital following the partial termination of operations of the Company in April 2016, whereby 520.760 ordinary shares were extinguished through the cancellation of the aforementioned shares at par value of €1,71 per share, amounting to a total of €890.500.

17. Trade and other payables

	2017	2016
	€	€
Accruals	**3.631**	6.326
Other creditors	**7.266**	228
	10.897	6.554

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

18. Related party transactions

Until 14 December 2016 the Company was controlled by Hellenic Petroleum Cyprus Limited, incorporated in the United Kingdom, which owned 65% of the Company's shares and the remaining 35% of the shares were held by Petrolina (Holdings) Public Limited. From 15 December 2016 Hellenic Petroleum Cyprus Limited owns 100% of the Company's shares, having acquired the remaining 35%. The company's ultimate controlling party is Hellenic Petroleum S.A., a company listed in Greece.

The following transactions were carried out with related parties:

18.1 Sales of goods and services

		2017	2016
	Nature of transactions	**€**	€
Hellenic Petroleum Cyprus Limited	Sales of good and services	**105.819**	533.239
Petrolina (Holdings) Public Limited (until 14 December 2016)	Sales of good and services	-	165.350
		105.819	698.589

Hellenic Petroleum Cyprus Limited

18.2 Purchases of goods and services

		2017	2016
	Nature of transactions	**€**	€
Hellenic Petroleum Cyprus Limited	Purchases of services	-	81.071
Hellenic Petroleum Cyprus Limited	Purchases of goods	-	595

All the transactions with related parties are of a trading nature.

18.3 Receivables from related parties (Note 14)

		2017	2016
Name	Nature of transactions	**€**	€
Hellenic Petroleum Cyprus Limited	Trade	**23.306**	511.767
		23.306	511.767

The receivables from related parties were provided interest free, and are repayable on demand.

19. Contingent liabilities

i) Relocation

The deliberations with the Government for the relocation of Oil entities from Larnaca to Vasiliko continue. The Minister of Interior has been actively involved with the relocation and organised meetings with the Oil entities for this purpose. The firm decision of the Government to relocate the entities was clearly expressed. Effective on the 30th January 2017, the Government decree to relocate, has been extended till the 31/12/2018 for the Fuels Terminal and till the 31/12/2020 for the LPG Terminal. Upon demolition of its assets at Larnaca's Terminal the Company will ceased its current activities.

ii) Letters of guarantee

The Company has contingent liability in respect of bank guarantees arising in the ordinary course of business from which it is anticipated that no material liability will arise. The guarantees amounted to €10.854 (2016: €11.004).

20. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

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ADDITIONAL INFORMATION TO THE STATEMENT OF COMPREHENSIVE INCOME

CONTENTS

COST OF SALES
Year ended 31 December 2017

	2017	2016
	€	€
Cost of sales		
Raw materials at 1 January	-	173.311
Purchases of raw materials	-	328.772
Closing stocks	-	-
	-	502.083
Direct costs		
Wages and salaries	**6.000**	46.542
Electricityl	**3.831**	6.238
Machinery repairs and maintenance	-	10.497
Insurance	-	4.446
Licenses and taxes	**85.400**	1.714
Impairment of property, plant and equipment	-	69.928
Operating lease rentals	-	29.813
Materials and consumable	-	724
Other expenses	-	254
Depreciation	-	17.719
	95.231	187.875
	95.231	689.958

SELLING AND DISTRIBUTION EXPENSES
Year ended 31 December 2017

	2017 €	2016 €
Administration expenses		
Professional licence fee	**(381)**	1.905
Sundry expenses	**-**	591
Telephone and postage	**-**	350
Stationery and printing	**-**	55
Canteen expenses	**-**	1.750
Auditors' remuneration	**4.905**	7.405
Legal fees	**2.136**	2.136
Management fees	**-**	51.258
Bank charges	**1.376**	1.135
	8.036	66.585