SELONDA AQUACULTURES A.E.G.E.

GENERAL ELECTRONIC COMMERCIAL REGISTRY (GEMI) NO.

769101000

Annual Financial Report
Financial Year 2015
(Period from 1st January -31st December 2015)
According to article 4 of L. 3556/2007

CONTENTS

A. Statements by Representatives of the Board of Directors

The following representatives of the Board of Directors of the Company proceed with the following statements in accordance with the article 4, paragraph 2 of Law 3356/2007, as it is currently in effect:

1. Athanasios Skordas, President of the Board
2. Michael Panagis, Vice President of the Board and Managing Director
3. Panagiotis Allagianis, Member of the Board

The following signing parties, under our above capacity, we clearly state and verify that according to our best knowledge:

(a) The annual separate and consolidated financial statements of the Societe Anonyme SELONDA AQUACULTURE for the period 1.1.2015-31.12.2015, which were prepared according to the accounting standards in effect, accurately present the assets and liabilities, net position and earnings or losses for the period of the company issuer, as well as those of the companies included in the consolidation that are aggregately taken into account, and

(b) The report by the board of directors accurately presents the developments, performance and position of the Societe Anonyme SELONDA AQUACULTURE, as well as those of the companies included in the consolidation and aggregately taken into account, including a description of the basic risks and uncertainties such face.

Athens, 31 March 2016

President of the BoD	Vice-President & Managing Director	BoD Member & General Manager
Athanasios Skordas	Michael Panagis	Panagiotis Allagianis
ID No. Σ 138988	ID No. AH 064586	ID No. AK 137750

B. Audit Report by independent Certified Auditor

Towards the Shareholders of the Societe Anonyme Company SELONDA AQUACULTURES A.E.G.E.

Audit Report on the separate and consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the company SELONDA AQUACULTURE A.E.G.E. and its subsidiaries, which consist of the separate and consolidated statement of financial position of 31 December 2015, the separate and consolidated statements of comprehensive income, statements of changes in equity and cash flow statements for the year ended on the aforementioned date, as well as the summary of significant accounting principles and methods and other explanatory notes.

Management's Responsibility for the separate and consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated Financial Statements in accordance with the International Financial Reporting Standards, as such have been adopted by the European Union, as well as for such internal control as management determines is necessary to enable the preparation of separate and consolidated 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 separate and consolidated financial statements 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 on whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor reviews the internal control relevant to the preparation and fair presentation of the company's separate and consolidated financial statements, in order to design audit procedures that are appropriate for the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting principles and methods used and whether the estimates made by management are reasonable, as well as evaluating the overall presentation of the separate and consolidated financial statements.

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 accompanying individual and consolidated financial statements present fairly, in all material respects, the financial position of the Company SELONDA AQUACULTURE S.A. and its subsidiaries as at December 31, 2015, and of their financial performance and their cash flows for the year that ended, in accordance with International Financial Reporting Standards as such have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

a) The Board of Directors' Report includes a statement of corporate governance that provides the information required by Article 43a (paragraph 3d) of Law 2190/1920.

b) We verified the agreement and reconciliation of the content of the Board of Directors' Report with the abovementioned individual and consolidated Financial Statements, in the scope of the requirements of Articles 43a (par. 3a), 108 and 37 of Law 2190/1920.

c) For the fiscal years of 2011, 2012 and 2013, the parent company and its subsidiaries, with the exception of subsidiary Perseas AEBE, have not accepted the tax audit by the Independent Auditors as it is defined in the clauses of the article 82 par.5 L. 2238/1994 and it is subject to the provisioned by this article sanctions.

Athens, 31 March 2016

The Certified Auditor Accountant

Elpida Leonidou

SOEL Reg. No.: 19801

Grant Thornton
An instinct for growth™
Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
Ζεφύρου 56, 17564 Παλαιό Φάληρο
Α.Μ. ΣΟΕΛ 127

C. MANAGEMENT REPORT OF BOARD OF DIRECTORS

OF "SELONDA AQUACULTURE A.E.G.E." FOR THE FISCAL YEAR FROM 1 JANUARY TO 31 DECEMBER 2015 (according to Law 3556/2007, article 4)

The Board of Directors of SELONDA AQUACULTURE A.E.G.E. presents its management report for the annual separate and consolidated financial statements of the period ended on 31/12/2015, according to the article 136 of C.L. 2190/1920 and articles 4 of L. 3556/2007. The annual and separate financial statements were prepared and compiled according to the International Financial Reporting Standards as they are currently in effect.

INTRODUCTION

According to the provisions of C.L. 2190/1920 article 43a paragraph 3, article 107 paragraph 3 and article 136 paragraph 2. Also, according to the provisions of L. 3556/2007 article 4 paragraphs 2(c), 6, 7 & 8 as well as the decision issued by the Hellenic Capital Market Commission under Reg. No. 7/448/11.10.2007 article 2 and the Company's Article of Association, we hereby submit the annual report of the board of directors for the period from 01/01/2015 to 31/12/2015, which includes the audited separate and consolidated financial statements, the notes on the financial statements and the audit report by the certified auditors.

The present report includes a brief description of information on the Group and the Company SELONDA AQUACULTURE AEGE, financial information that aim at providing general informing to shareholders and investors on the financial position and results, the overall developments and changes that took place during the present financial year (01/01/2015 – 31/12/2015), significant events that took place and the effect of such on the financial statements of the same period. Moreover, the report also includes a description of the basic risks and uncertainties that the Group and Company may face in the future, as well as the most significant transactions realized between the company and its affiliated entities.

The present Report accompanies the annual financial statements for the financial year (01/01/2015 – 31/12/2015) and is included together with the financial statements as well as the statements by the members of the Board of Directors, in the annual financial report for 2015. Given also that the Company prepares consolidated financial statements as well, the present Report is complete and integrated, with main reference to the consolidated financial data and with reference to the company financial data of SELONDA AQUACULTURE S.A. only when deemed necessary for the better understanding of its contents.

A. FINANCIAL DEVELOPMENTS & PERFORMANCE FOR THE PERIOD

1. General

During the year of 2015, the financial and credit crisis in Greece, the liquidity problems in general observed in the Greek economy, the debt restructuring procedure of the sector's companies as well as the continuous dynamics seen in the export orientation of the aquaculture companies towards the international markets, are the main events that affected (either negatively or positively) the financial and business figures of the Group.

The continuous economic crisis of the country in conjunction with the general liquidity crisis of the Greek economy creates an especially tough business environment. The Group by proceeding with certain actions from the beginning of the previous year, such as the penetration of the European and American markets and the completion of its debt restructuring plan, significantly improved its financial position and as a result further improvements in its financial ratios are expected for the year 2016.

In the table below it is presented the development of basic financial figures and ratios for the Group and the Company for the last three-year period 2013-2015. The account of “Profit/losses after tax and minority interest” refers only to the continuing operations of the Group.

SELONDA GROUP

EVOLUTION OF FINANCIAL FIGURES					
	COMPANY				
	31.12.2013	% CH	31.12.2014	31.12.2015	% CH.
Turnover	109,016,206	8%	117,881,262	140,396,585	19%
EBITDA	-43,991,298		12,295,948	5,805,145	
Earnings / losses before taxes	-70,685,111		44,320,107	-4,148,641	
Earnings / losses after taxes & minorities	-64,618,359		87,072,459	-4,395,716	
Total Assets	185,573,645	9%	203,074,932	217,659,485	7%
Total Liabilities	226,256,906	-17%	183,117,694	202,581,891	7%
Total Equity	-40,683,261		19,957,238	15,077,593	6%
	GROUP				
	31.12.2013	%Δ	31.12.2014	31.12.2015	%Δ
Turnover	129,684,751	5%	135,670,491	148,690,787	10%
EBITDA	-38,925,912		20,038,298	11,584,665	
Earnings / losses before taxes	-63,122,969		47,847,879	-10,350,178	
Earnings / losses after taxes & minorities	-59,023,676		934,686	-12,659,145	
Total Assets	211,033,818	10%	231,962,702	207,130,764	-11%
Total Liabilities	249,436,985	-16%	203,306,036	203,524,658	-3%
Total Equity	-38,403,167		28,656,665	3,606,105	-84%
	FINANCIAL RATIOS OF GROUP				
	2013		31.12.2014	31.12.2015	
EBTIDA Margin %	-30.02%		14.77%	7.79%	
EATAM Margin %	-45.51%		0.69%	-8.51%	
Liabilities / Equity	-6.50		7.09	56.44	
Liabilities / Total Capital	1.18		0.88	0.98	
Liquidity Ratio	0.75		2.25	1.83	

In addition, the following table exhibits the performance and profitability ratios for the Group and the Company for the fiscal years 2015 and 2014:

SELONDA GROUP

RATIOS OF FINANCIAL PERFORMANCE				
	GROUP		COMPANY	
EVOLUTION (%)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Turnover	9.60%	4.62%	19.10%	8.13%
Net fixed assets	-35.92%	31.66%	-10.86%	32.26%
Total employed capital	-10.71%	9.92%	7.18%	9.43%
PROFIT MARGINS (%)				
EBITDA Margin	7.79%	14.77%	4.13%	10.43%
EBIT Margin	4.83%	12.35%	1.57%	8.25%
EBT Margin	-6.96%	35.27%	-2.95%	37.60%
Net profit margin (after taxes and minorities)	-8.51%	0.69%	-3.13%	73.86%
LIQUIDITY (:1)				
Liquidity ratio	1.83	2.25	1.81	2.08
Acid test ratio	0.48	0.88	0.46	0.59
CAPITAL STRUCTURE & DEBT BURDEN (:1)				
Debt burden (Liabilities / Total capital)	0.98	0.88	0.93	0.90
Liabilities / Equity (T. Liabilities / Total Equity)	56.44	7.09	13.44	9.18
Capital Structure (Equity / Liabilities)	0.02	0.14	0.07	0.11
Total Equity / Total Assets	0.02	0.12	0.07	0.10
Total Net Debt / Total Assets	0.53	0.56	0.51	0.46
Total Net Debt / Total Equity	30.72	4.56	7.39	4.69

The Group activates mainly in the production, trading and distribution of fresh fish from Mediterranean aquaculture. It is product with high nutritional value in the broader food chain, and presents strong penetration in the markets of the European Union as well as of North America. The percentage of exports in terms of final product "aquaculture fish", which approaches **83%** of the total product mix, reflects the Company's and Group's especially strong export orientation.

The basic financial results of the current fiscal year compared to the previous year are analyzed below:

- **Turnover:** The turnover for the Group during the year 2015 posted an increase of 9.6% and reached €149 million versus €136 million in the previous year, whereas on the Company level, turnover increased by 19.10% amounting to € 140 million versus € 118 million in the previous year. The change that occurred in comparison with the previous year was due to: a) the increase in the sales volume by 2.59%, or 21,911 tons from 21,358 tons in the previous year, and the average price increase by 7.1%, b) the increase in the sales of fish fry to third parties by 79.25% in terms of volume and by 82.49% in terms of value, and c) the decrease of fish food sales mainly from the side of the associate company Perseas by 7% due to the termination of certain customers with significant liquidity problems. From the total turnover, 113 million Euros refer to sales of biological products (fish and fish fry) produced in the units of the Group and third parties, 7 million Euros derived from sale of fish food, and 29 million Euros concerned sales of other inventory and provision of services.

- **Earnings before interest, tax, depreciation & amortization (EBITDA):** Operating results (EBITDA) for the Group, from continued activities, amounted to earnings of 11 million Euros compared to 20 million Euros during the previous period. For the company operating results (EBITDA) amounted to losses of 6 million Euros compared to earnings of 12 million Euros in the previous period.

  The change is mainly due to the following reasons:

- Change in the valuation method of the **Biological Assets** at the end of the year 2015,
- Higher provisions for doubtful receivables.

As it is presented analytically, if the change in the valuation method of biological assets and the higher provisions did not occur, then the Group's results would be higher by € 7,592 thousand approximately.

a) Change in the valuation method of the **Biological Assets** at the end of the year 2015

The biological assets are living inventories of aquaculture products, fish and fish fry, which are under constant progression and development in the production process and therefore are valued at fair minus the estimated sales cost according to IAS 41, apart from the case when the fair value cannot be accurately estimated.
The biological assets are categorized according to their maturity level so that the users of financial statements are adequately informed regarding the timing of the cash flows which the company expects from the use of these biological resources.
The segregation of the biological assets in the Balance Sheet is performed according to the average weight of the fish inventories as well as according to the period when the fish acquires the minimum weight for trading purposes. As of 31/12/2015, the Group proceeded with a change in the categorization of biological assets, namely of the period which is taken into account for the determination of the valuation price, as well as to an amendment of the valuation method concerning the non-mature biological assets. The objective of the above amendments is the fair depiction of the biological assets, in a manner that is aligned with the trading reality of the sale transaction and facilitates the comparison of the particular information among similar companies within the sector.

More specifically, the categorization of the biological assets until 31/12/2014, according to the average weight of the fish inventories, was performed as following:

- Fish below 200 grams and fish fry for own utilization were categorized as non-current biological assets and
- Fish above 200 grams and fish fry for sale were categorized as current biological assets.

On 31/12/2015, the categorization of the biological assets according to the average weight of the fish inventories was performed as following:

- The part of fish with weight less than 340 grams that is expected to grow to 340 grams after 31/12/2016 and the fish fry for own utilization were categorized as non-current biological assets and
- The part of fish with weight less than 340 grams that is expected to grow to 340 grams before 31/12/2016, the fish with weight higher than 340 grams and the fish fry for sale were categorized as current biological assets.

The selection of the average weight at 340 grams as categorization criterion (instead of 200 grams which was the case until recently) was performed by the management with the objective to mainly collect fish from cages with expected weight higher than 340 grams, because it is estimated that at this level of weight the fish acquires the desired economic return.

The company with the objective to facilitate the comparison of information provided to the users of financial statements with the information of the sector's companies proceeded to the amendment of the determination of the fair value of mature biological assets as following:

- It determines the composition of the average weight of fish collected from the opening of fish cages according to categories of average weight, and
- It takes into account the average selling price of the first two weeks of January of the company's main market, whereas until 31/12/2014 it considered the average selling price of January 2015 (for the main market as well).

The Company also proceeded with the amendment of the determination model (income approach) of the fair value of the non-mature biological assets as following:

- It also determines the composition of the average weight of fish collected from the opening of fish cages according to categories of average weight,
- It takes into account the expected selling price during the period of opening (particular month) of fish cages, whereas until 31/12/2014 it considered the average selling price of January 2015 (main market), and
- It calculates the proportional expected profit before tax compared to the net profit after tax from the maturity phase of the biological assets.

The effect of the above amendments on the financial statements of the year 2015 is analyzed as following:

- If the previous valuation model was utilized for the non-mature biological assets below 340 grams and if the average price of January was used as valuation price, then the results of the Group would be higher by € 6,092 thousand approximately.
- If the new model was utilized and the average price of January (and not only of the first two weeks) was used as valuation price for the mature inventories with weight above 340 grams, then the biological assets at year end as well as the results of the Group would be higher by € 1,496 thousand approximately.

In synopsis, the above figures are presented in the following table:

Effect (in thous. €)	Biological Assets	Profit before tax	Profit after taxes	EBITDA
Previous Valuation Model of Non-Mature Biological Assets with the average selling price of January as valuation price	6,092	6,092	4,325	6,092
New Model: Amended Valuation Price of Mature Biological Assets with the average selling price of January as valuation price	1,496	1,496	1,063	1,496

It is noted that the average selling price of January is traditionally one of the lowest selling prices for the sector within a calendar year. Specifically, it is noted the average price of the first two weeks of January 2016, which was the basis for the valuation of the biological assets in their entirety, was by 21% lower than the actual average selling price of the year 2015, whereas the selling price for the year 2016 is expected to be more favorable compared to the year 2015.

b) Higher provisions for doubtful receivables for

1) Doubtful receivables from trading activities €2 million

2) Extraordinary tax audits in taxable reserves €0.15 million

3) Other provisions for staff indemnities €0.30 million

c) Value impairment

Of fixed assets due to the management's estimation concerning their shorter economic life, higher deterioration of their natural condition and termination of their operation, by amount of € 0.35 million.

- **Financial Results:** The financial expenses during the current financial year amounted to € 8.3 million for the group and to € 6.4 million for the company, posting a decrease of 42% and 45% respectively, due to the debt restructuring that took place during the period 2014-2015.

- **Earnings after tax & non-controlling interests:** Results after tax and non-controlling interests from continued activities at the Group corresponded to losses of €-13 million in the current year, versus earnings from continued activities of € 1 million in the previous fiscal year.
The significant decrease of the results was due to the causes and factors described above in the figure **Earnings/Losses before interest, tax, depreciation & amortization (EBITDA).**

Tangible Assets: The tangible assets in the Group taking into account the termination of consolidation of subsidiary company "Perseus ABEE" are lower mainly due to the non-consolidation of the above subsidiary and settle at € 28 million versus € 43 million in the previous fiscal year.
On the company level, tangible assets are lower mainly due to the regular depreciation charged for the period and they correspond to € 28 million versus € 31 million in the previous year.

Total Assets: The total assets of the Group correspond to € 207 million as of 31/12/2015 versus € 232 million as of 31/12/2014 mainly due to the non-consolidation of subsidiary PERSEUS ABEE from 25/11/2015 with the full consolidation method.

Bank Debt and Cash Reserves: The Group's bank debt declined and settled at € 118 million on 31/12/2015 with the cash reserves at € 7 million compared to bank debt of €150 million and cash position of € 19 million on 321/12/2014. On the company level, bank debt settled at € 118 million on 31/12/2015 with the cash reserves at € 6 million compared to bank debt of €107 million and cash position of € 6 million in the previous year.

Liabilities

The total liabilities of the Group in 2015 (except for bank debt) amounted to €85 million versus €85 million in the previous fiscal year of 2014.

Shareholders' Equity

The share capital of the Group's parent company on 31/12/2015 accounts for €61,270,555, divided by 204,235,180 common registered shares carrying voting rights and having nominal value of € 0.30 per share. The total equity of the Group and the Company are positive or € 3.5 million and € 15 million respectively at the end of the current year, compared to the total equity of € 29 million and € 20 million in the previous year. The above significant change was due to the non-consolidation of the subsidiary company "Perseus ABEE" beginning from 25/11/2015 and to the losses of the current year.

2. Dividend Policy

With regard to the dividend distribution, the Company's Management, taking into consideration the financial results of the current year as well as of the previous years, proposes the non distribution of dividend.

3. The Investment program (CAPEX) of the Group for the fiscal year 2015 amounted to € 1.8 million from € 1.7 million in the previous fiscal year, posting an increase of 6%. Investments concerned mainly production facilities.

4. Value Creation Factors

The Group monitors its performance through the analysis of three basic business segments, which are the aquaculture sector (producer - sale of fry and fish), the fish food production sector, and the sector of fish trading and other inventories and services.

The sector with the largest participation in sales is the aquaculture sector, which includes sales of fresh fish, mainly to the international markets, and sales of fish fry to other fish producers. The turnover of the aquaculture sector corresponded to 76% of the Group's turnover for the year 2015 posting operating results of €-10 million.

The fish food sector, which concerns mainly the group's subsidiary, Perseus AEBE, for 2015 participated by 5% in the total turnover while during the current year it reported an operating result of €-3 million of the total operating results. The accounts of the above mentioned subsidiary were consolidated in the figures of the Group from 1/1/2015 until 24/11/2015, whereas after that date, the consolidation was based on the equity method instead of the full consolidation method.

Finally the fish trade and other sales sector participated by 18% in the Group's total turnover while during the current year it presented an operating result of € 1 million.

Following we present the annual financial results and the operating results of 2015 on a consolidated basis and per business segment:

Results per segment on 31/12/2015	Aquaculture	Trade	Fish Food	Other Services	Total	Discontinued Operations	Total
Sales	112,921,928	26,986,605	6,515,177	2,267,078	**148,690,788**	**0**	148,690,788
Sales to other segments	0	0	0	0	**0**	**0**	0
Net sales	**112,921,928**	**26,986,605**	**6,515,177**	**2,267,078**	**148,690,788**	**0**	**148,690,788**
Operating profit							
Effect from change in fair value of biological assets	17,595,382	0	0	0	**17,595,382**	0	17,595,382
Cost of materials/inventories	-77,682,102	-25,651,351	-2,231,887	-1,093,040	**-106,658,380**	0	-106,658,380
Employee benefits	-14,658,742	-14,694	-955,196	-769,614	**-16,398,245**	0	-16,398,245
Depreciation of tangible and intangible assets and impairment of non-financial assets	-3,601,512	0	-780,543	-15,349	**-4,397,404**	0	-4,397,404
Other expenses	-26,958,767	0	-2,169,277	-590,454	**-29,718,499**	0	-29,718,499
Operating result of segment	**7,616,188**	**1,320,560**	**378,274**	**-201,379**	**9,113,643**	**0**	**9,113,643**

B. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR 2015

The significant events that took place during the present financial year 2015 were the following:

1. Election of New Board of Directors

On 3/12/2015, the annual general meeting of the shareholders of SELONDA approved, among other issues, the election of a new 5-member board of directors.

Analytically, according to the relevant press release, during the general meeting the following decisions were made and ratified:

Subject 1: “Election of new Board of Directors of the Company”.

It was decided on the basis of majority the election of new 5-member Board of Directors with votes 159,584,957 in favor or percentage 78.138% and with votes 13,359,674 against or percentage 6.541% and

Following the above the General Meeting unanimously approved, and with all votes in favor, that the new 5-member Board of Directors will consist of the following members:

1. Panagiotis Allagiannis
2. Michael Kokkinos
3. Adamantini Lazari
4. Athanasios Skordas
5. Michalis Panagis

It was accordingly approved that Mr. Panagiotis Allagiannis and Mr. Michael Kokkinos will be Independent and Non-Executive member of the Board.

Subject 2: Approval of the payable compensation to resigned member of the Board of Directors of the Company”.

The General Meeting unanimously, and with all votes, approved the payable compensation to resigned member of the Board of Directors of the Company.

Subject 3: “Approval of contracts and Private Agreements which are governed by the article 23a of P.L. 2190/1920”.

The General Meeting unanimously, and with all votes, approved the removal of the subject of the General Meeting “Approval of contracts and Private Agreements which are governed by the article 23a of P.L. 2190/1920” from the daily agenda and agreed to present the above subject to the following General Meeting.

Subject 4: “Various Announcements”

Following the above, the new 5-member Board of Directors was former into body. Analytically, according to the relevant press release, the Board of Directors of the company was formed into Body as following:

Athanasios Skordas of Ioannis, President of the Board – Non Executive Member

Michalis Panagis of Neoklis, Vice President of the Board and Managing Director – Executive Member

Adamantini Lazari of Konstantinos, Non Executive Member

Panagiotis Allagiannis of Ioannis, Independent – Non Executive Member

Michael Kokkinos of Alexandros, Independent – Non Executive Member

The term of the above members of the new Board of Directors is 5 years and completes within the first half of the year 2020.

2. Restatement of accounts of financial statements of previous fiscal year

The Company following an agreement with the credit institutions during the fiscal year 2014, proceeded with the restructuring of its entire bank debt, which was approved from the Extraordinary General Meeting of shareholders (11/9/2014). The extraordinary General Meeting approved the share capital increase of the Company via the capitalization of the bank debt obligations and the restructuring of the remaining liabilities towards banks. The basic elements of the decisions of the General Meeting were the following:

1. Decrease of the Company's share capital via the reduction of the nominal value of each existing common registered share.
2. Increase of the Company's share capital via the capitalization of part of the bank debt obligations.
3. Issuance of bond loans up to a total nominal value of one hundred and ten million Euro (€ 110,000,000.00).

On 29/12/2014, it was approved the increase by € 50.4 million via the issuance of 168 million new shares. The Company's share capital amounts to € 61,270,554 (204,235,180 shares with nominal value of 0.30 €).

The Company adopted and applied the interpretation (IFRIC) 19 "Extinguishing financial liabilities with equity instruments". According to the above interpretation, equity instruments issued for the partial or entire repayment of an economic obligation are treated as an exchange amount that was paid and must be valued at fair value on the payment date. However if this fair value cannot be reliably estimated, then the equity instruments are valued according to the fair value of the obligation they were used for. The difference between the book value of the economic obligation and the exchange amount that is paid (including the issued equity instruments) must be recognized in the results of the year and disclosed separately (IFRIC 19.5 – 7,9,11).

The Company applied the following on 31/12/2014:

a. During the initial recognition of the equity instruments, it valued the instruments taking into consideration the fair value of the already publicly traded shares on 29/12/2014 (share price close of € 0.05 on 29/12/2014, GEMI registration date) as well as the conversion price of the new shares (€ 0.30).

b. It recognized the difference between the book value of the part of the bank debt obligations that were repaid and the exchange amount that was paid in the results for the year.

The difference between the part of the financial obligation that was repaid (€ 50,400,000) and the value of the new shares (€ 42,949.200) was recognized in the results for the year. Specifically the amount that was recognized in the results for the year accounted for € 7,450,800.

The company proceeded with the weighting of equity instruments taking into consideration not the market capitalization of the shares but the conversion price of the new shares (this price was the basis for the capitalization of the bank debt obligations), considering the fact that the low transaction volume of the company's shares was not representative of the shares' fair value.

The company in the year 2015, cautiously assessing the prevailing conditions, decided to amend the adjusted price of the issued equity instruments which utilized on 29/12/2014 and to recognize the equity instruments which were issued for the repayment of its bank debt obligations solely based on the stock market price close of 29/12/2014 (stock market value on 29/12/2014 at € 0.05 per share, date of registration in GEMI), therefore strictly applying the requirements of interpretation 19.

The difference between the part of the economic obligation which was repaid (€ 50,400,000) and the value of the new shares (€ 8,400,000 or 168 million shares with a fair value of € 0.05 per share), was recognized in the results for the year 2014. Specifically, the amount which was recognized in the results for the year settled at € 42 million, thus increasing the results of year 2014 by € 34,549 thousand approximately.

The Company followed the particular accounting treatment in order to be aligned with the requirements of the interpretation 19.

The Company in the context of its restructuring plan with regard to its bank debt obligations proceeded with the issuance of bond loans with total nominal value of one hundred and eight million Euros (€ 108,000,000).

The management of the Company by reviewing the terms of the issuance of the new bond loans concluded that according to the requirements of IAS 39 there was a de-recognition (extinguishment) of the existing until 31/12/2014 bond loans and a recognition at the same time of new bank debt obligations.

Due to the above, the Company proceeded with the following steps:

1. De-recognition of the existing bank debt obligations,

2. Recognition of new bank debt obligations at fair value

3. Recognition of the difference between the existing bank debt obligations until 31/12/2014 and of the new bank debt obligations which are recognized at fair value in the results of the year 2014.

4. Recognition of the entire reorganization expenses in the results of the year 2014.

The fair value of the new bond loans for the Group was defined at the level of 111.7 million €. The interest rate for the calculation of the fair value of the new bond loans is lower than the one corresponding to similar bank debt obligations granted under the current economic conditions.

The effect from the restatement of the financial statements for the Group is depicted in the following tables:

Statement of Financial Position

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Long-term bank loans	119,958,611	111,771,785	-8,186,825
Deferred tax liabilities	8,890,442	10,894,387	2,003,945
Long-term liabilities	131,999,789	125,816,909	-6,182,880
Other short-term liabilities	4,306,756	4,786,100	479,344
Short-term liabilities	77,009,785	77,489,129	479,344
Non-distributed earnings	-110,849,904	-105,146,368	5,703,536
Equity	22,953,129	28,656,665	5,703,536
Equity & Liabilities	231,962,703	231,962,703	0

Statement of Total Comprehensive Income

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Third party fees and benefits 1.1 - 31.12.2014	-13,386,059	-13,865,403	-479,344
Financial Expenses 1.1 - 31.12.2014 (effect from recognition of debt at Fair Value)	-13,990,159	-5,803,334	8,186,825
Other Financial Expenses 1.1 - 31.12.2014 (application IFRIC 19)	7,450,800	42,000,000	34,549,200
Earnings before Taxes	5,591,196	47,847,877	42,256,681
Deferred income tax	1,614,629	-389,316	-2,003,945
Earnings after Taxes	6,271,141	46,523,877	40,252,736
Earnings before Taxes Financial and Investment Activities (EBITDA)	20,517,641	20,038,297	-479,344

Statement of Equity

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Balance as at 31/12/2014	22,953,129	28,656,665	5,703,536
Effect from recognition of debt at Fair Value	13,990,159	5,803,334	8,186,825
Effect from recognition of debt issuance expenses	13,386,059	13,865,403	-479,344
Effect from recognition of deferred on the above	-1,614,629	389,316	-2,003,945

The effect from the restatement of the financial statements for the Company is depicted in the following tables:

Statement of Financial Position

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Long-term bank loans	110,152,678	101,965,853	-8,186,825
Deferred tax liabilities	5,178,241	7,182,186	2,003,945
Long-term liabilities	118,254,694	112,071,813	-6,182,880
Other short-term liabilities	2,616,065	3,095,409	479,344
Short-term liabilities	70,566,537	71,045,881	479,344
Non-distributed earnings	-104,712,798	-99,009,262	5,703,536
Equity	14,253,702	19,957,238	5,703,536
Equity & Liabilities	203,074,932	203,074,932	0

Statement of Total Comprehensive Income

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Third party fees and benefits 1.1 - 31.12.2014	-11,269,841	-11,749,186	-479,344
Financial Expenses 1.1 - 31.12.2014 (effect from recognition of debt at Fair Value)	-11,461,248	-3,274,423	8,186,825
Other Financial Expenses 1.1 - 31.12.2014 (application IFRIC 19)	7,450,800	42,000,000	34,549,200
Earnings before Taxes	2,063,426	44,320,107	42,256,681
Deferred income tax	1,220,067	-783,878	-2,003,945
Earnings after Taxes	3,283,494	43,536,230	40,252,736
Earnings before Taxes Financial and Investment Activities (EBITDA)	12,775,293	12,295,948	-479,344

Statement of Equity

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Balance as at 31/12/2014	14,253,702	19,957,238	5,703,536
Effect from recognition of debt at Fair Value	11,461,248	3,274,423	8,186,825
Effect from recognition of debt issuance expenses	11,269,841	11,749,186	-479,344
Effect from recognition of deferred on the above	-1,220,067	783,878	-2,003,945

3. Participation in the restructuring of the sector company "DIAS AQUACULTURE ABEE"

On 30/04/2015 the Company co-signed the restructuring plan and the respective agreement in which the company DIAS AQUACULTURE ABEE, the counterparty lending banks and other third parties also participated. The restructuring plan provides for the transferring of the entire assets of € 69 million approximately and part of the liabilities for an amount of € 29.6 million which on group level accounts for € 48 million. The transaction will complete with the share capital increase of Selonda by € 12.4 million via the waiving of preemptive rights by old shareholders in favor of DIAS and through the issuance of 41,261,980 common registered shares with a value of € 0.30 per share. The particular agreement was based on relevant expert study according to the Law 3588/2007 article 100 paragraph 3 and on the valuations of the two companies, which were conducted by the independent advisory house Ernst & Young AEOE.

Since the Agreement defines that 81.95% of the total liabilities of DIAS will not be transferred to the company, the new shares will be undertaken by DIAS with the aim to fulfill obligations towards its creditors.

Analytically, the transfer of the entire assets and part of the liabilities includes the following:

a) the entire assets of the company (tangible assets such as buildings which include packaging units, fish hatching stations and production support facilities in the production units, land plots, machinery, cages and nets, intangible assets, interests in subsidiaries and associate companies, biological inventories, receivables against third parties, deposits, and other assets),

b) the part of liabilities which concerns the following:

Part of bank debt obligations

The entire obligations towards the Greek State, social security organizations and the employees

Part of the liabilities towards the main supplier, BIOMAR

Part of the liabilities towards other suppliers which are defined as “crucial” and “non crucial” and part of the other liabilities

c) the assumption of pending legal cases of the company, as these have been defined and recorded, the acquisition, via the transfer of the ownership of the administrative licenses, of the trademarks, the names and in general of all industrial ownership rights of the company and the assumption of the entire personnel of “DIAS” which account for 370 individuals on group level and for 270 individuals on company level.

According to the decision with no. 619/2015, the Hellenic Competition Commission approved the disclosed consolidation concerning the acquisition of the management control of DIAS ABEE by the company SELONDA AQUACULTURE AEGE, through the purchase of the entire assets and part of the liabilities of the former, in execution of the restructuring plan and agreement as of 30/04/2015 and according to the provisions of article 99 of the Bankruptcy Code (Law 3588/2007 as it is currently in effect).

With this decision, the Committee judged that the above consolidation, which concerns the aquaculture sector, does not create any serious doubts with regard to the competition conditions that must exist and prevail in the sub-sectors which the above corporate action refers to.

Following the above, the company immediately proceeds with the completion of the said agreement.

4. Change in the consolidation method of PERSEUS ABEE

The company proceeded in year 2007 with the acquisition of 41% of Perseus SA in the context of its efforts to vertically integrate the Group and with expectation, as it was viewed at the time, that there would be increased demand in the sector for fish food products. The company Perseus SA was the largest producer of fish food in Greece with a production plan covering an area of 9,000 m2 in Zevgolatio, County of Korinthos, on a privately owned land area of 22,000 m2. The facilities included three production units of fish with capacity of 1,500 tons and a fish hatching station with capacity of 8,000,000 fish fries.

In the fiscal year 2014, the company consolidated the financial statements of Perseus SA with the full consolidation method, utilizing the provisions of IFRS 10, according to which an investor, independently of the nature of the investor’s participation in an economic entity, defines the relation between the parent company and the subsidiary company, and assesses whether there is control of the latter.

An investor controls an issuer company when the investor is exposed or has rights on the variable returns in the context of the participation in the issuer and has the ability to affect these returns by exercising control and power on the issuer. Specifically if and only the investor possesses the following:

a) Power on the issuer

b) Investments or rights with variable returns from the participation in the issuer and

c) The ability to exercise power on the issuer and thus affect the level of the above returns.

With regard to the fiscal year 2014 and until 24 November 2015, on constant basis, three out of the seven members of the Board of Directors of Perseus SA were appointed by the Company. Moreover the Chairman of the Board of the Company as well as of the Board of Perseus was the same person.

Therefore it is concluded from the above that the Company possessed the majority of voting rights in the company PERSEUS SA (4 out of the 7 members of the Board).

Given the fact that from the end of November 2015, the members of the Boards of the companies are not the same any longer, whereas there is no way to immediately determine the future composition of the boards of the two companies, and also given the fact that PERSEUS is currently in negotiations with the credit institutions in order to restructure its bank debt, it is concluded that the Company in the current phase exercises a major influence but it does not control the management of the company PERSEUS SA.

For this reason, the management of the Company decided to consolidate the company PERSEUS SA with the equity method instead of the full consolidation method which was the previous case. Specifically the company PERSEUS SA was recognized in the consolidated financial statements until the end of November 2015 with the full consolidation method (line by line) as a subsidiary company, whereas for the remaining period of the year, until 31 December 2015, was consolidated with the equity method.

It is clear that the Company was exposed to variable returns (apart from the contingent dividends)in the year 2015 as well, which emanated from the business activity of the company PERSEUS SA such as the economies of scale, the cost reductions and the synergies, which clearly were not available for the other shareholders of the company PERSEUS SA. It is noted that 85%-90% approximately of the sales of PERSEUS SA was realized towards the company SELONDA AEGE.

Due to the change of the recognition method of the company PERSEUS SA, the Company proceeded with the following energies and actions (IFRS 10.25):

1. It consolidated until the end of November the company PERSEUS SA with the full consolidation method, therefore recognizing the corresponding results and the minority interests for the same period.

2. De-recognized the assets and the liabilities from the consolidated financial statements at the date when the control of the company ceased to exist.

3. Recognized the interest of its investment in the company PERSEUS SA at fair value at the date when the control of the company ceased to exist. The Company considered as fair value of the remaining stake in the investment, the value of the company's shares in the stock market on 24/11/2015 (€ 0.277 per share). Therefore in order to determine the fair value of the investment, the Company used the market capitalization based on the price close of the shares of PERSEUS SA on 24/11/2015 (7,127,656 PERSEUS shares held by Selonda times € 0.277 stock market price on 24/11). The amount with which the investment was recognized stood at € 1,974 thousand approximately.

4. De-recognized the total minority interest which had been previously and cumulatively recognized until the time the control of the company ceased to exist, for amount of € 12,814 approximately.

5. Recognized any extracted difference from the above adjustments as profit or loss in the results for the period which are allocated to the shareholders of the parent company.

6. The total effect from the change of the consolidation method is analyzed in the following table:

Fair Value of Interest in Subsidiary Company which is recognized as associate / related company	1,974
Minus:	
Net Assets * Interest held at the time the loss of control occurred	8,929
Profit / (Loss) recognized in the Results	**-6,955**

The equity of PERSEUS SA at the time the loss of control occurred is depicted below:

Description	Amounts (in € thous.)
Equity of PERSEUS SA 24/11/2015	21,743
Minority Rights	-12,806
Equity of PERSEUS Attributable to the Shareholders of SELONDA AEGE	**8,937**

If PERSEUS had been consolidated via the full consolidation method on 31/12/2015, then the effect would have been the following:

Item in the Financial Statements	Effect in case of Full Consolidation until 31.12.2015 (in € thousand)
Equity Attributed to the Shareholders of the Parent Company	6,958
Minority Rights	12,909
Total Equity	19,866
Turnover	2,404
Earnings after Taxes and before Minority Interests	7,186
Earnings after Taxes and Minority Interests	6,958

5. Investments

In 2015, Selonda Group proceeded with new required investments of € 1,677 thousand targeting productivity improvements and the modernization of the production equipment. The new equipment mainly concerns the units dealing with fish feeding and hatching (fish cages, nets, machinery).

C. PROSPECTS – FUTURE STRATEGY

1. Management's Actions

The Company constitutes a solid Greek corporation which activates in the Aquaculture sector since the year 1982. The strategy of the current management focuses on the formation of a Group that will take certain actions in order to further grow and solidify its position in Greece as well as internationally. At the same time, the management is interested on utilizing the country's dynamics with regard to people, raw materials and technologies in order to satisfy the domestic market needs as well as promote Greek products to the global markets.

During its entire course, the Company has also materialized significant investments in environmental improvement projects on behalf of all subsidiaries within the Group with the aim to confine any related impact on the environment. The continuation of the above actions at a faster pace is within our strategy for sustainable development.

In addition, the agreement with DIAS AQUACULTURE SA signifies the commitment on behalf of the management towards the development of the Greek food industry and the creation of a strong infrastructure for the future, whereas it also signals the formation of a dynamic economic entity which continues to invest with a vision in the rising business industry of the global aquaculture sector.

In year 2016, the Company reconsiders its commercial policy giving emphasis on its strategic positioning and faster penetration of certain markets. At the same time, the redesign of the "production model" and the optimization and reduction of the operating expenses are expected to lead to significant improvements in the Company's results during the fiscal year 2016.

It is a positive development that there are price increases for both sea bream and sea bass in the first quarter 2016 compared to the years 2015 and 2014.

Finally, the new Management of the Group has expressed its intention to positively contribute to any actions targeting the entire reorganization of the Greek aquaculture sector and the creation of those conditions which will allow the sector to sustain its leading role and strengthen its competitiveness for the benefit of shareholders, workers and the Greek economy in general.

In this context, the Group acts as pioneer in the presentation and implementation of certain proposals on institutional level aiming at the more effective collaboration among the sector's companies as well as the improvement of the commercial policy and the efficiency of the broader production and business model.

2. New Significant Investments

Selonda Group plans an investment plan (which is already under progress) for the current year concerning new required investment amounting to € 5 million approximately. The investments mainly concern the equipment of fish feeding units (fish cages, nets and machinery), packaging units, fish-hatching stations as well as management, control and safety systems in order to achieve the most effective business operations and optimize the final economic result.

3. Development - Prospect

On the level of the European Union, Greece is the second largest producer of fish in the aquaculture sector, both in terms of volume (19.1% of the European Union total volume) and in terms of value (23.6% of the European total value). The United Kingdom is the largest country followed by Spain.

The sector of the Mediterranean aquaculture remains as the most dynamic sector of primary production, constitutes one of the major industries of the National economy demonstrating the country's extrovert profile, and also constitutes one of the most active sectors in terms of exports combined with a dominant presence in South Europe. Greece with a production output which fluctuates over the last years between 110,000 – 120,000 tons comprises traditional the largest producer of Mediterranean aquaculture (sea bream and sea bass), representing the one third of the global production. Despite the intense presence over the past years of new competition from Turkey in the same markets, the growth prospects of the sector are considered to be strong, especially towards the markets of North and Central Europe, where the particular fish products represent a very small share of the total fish output of the European Union.

Moreover, the constant contraction of the fish output freely collected from the sea due to the excessive fishing activity in combination with the guidelines given from the pertinent Fish Authority of the European Union placing restrictions in the free fishing activity in order to tackle the above problematic situation, are expected to boost demand for Mediterranean aquaculture products as substitutes to the open sea fishing products.

The simplification of the administrative procedures, the application of an area planning policy in order to permanently define the sea areas of the operating units, the improvement of competitiveness via innovative methods for cost reduction and production of new products, constitute practices and actions which will contribute to the a better future for the Greek Aquaculture industry.

On corporate level, the agreement with the company DIAS AQUACULTURE ABEE provides for the significant increase of the Company's production capacity. The combined production capacity will approach the level of 33,000 tons per annum approximately. Furthermore, significant synergies are expected to be generated at all levels of business operations (production, administrative, logistics and packaging) thus leading to economies of scale and to a more effective operating management.

Finally it is noted that under the above plan, the largest corporation in the Greek and Mediterranean Aquaculture Sector is created thus offering vision and strong prospects to its workforce. At the same time the Company is developing into a more attractive target for future investors, playing its own role in the already evident sector consolidation.

D. RISKS AND UNCERTAINTIES

1. FINANCIAL RISKS

1.1. Financial Risk Factors

The Group does not perform speculative transactions or transactions that are not related to its commercial, investment or operating activities. The financial instruments used by the Group mainly consist of bank deposits, loans, transactions in foreign currency in the spot market or through forward FX contracts, bank accounts receivable and payable, factoring accounts and liabilities that result from financial leasing contracts.

1.2. Liquidity Risk

Liquidity risk is linked to the need for adequate and timely financing of the Group's activity and growth. Prudent management of liquidity risk requires adequacy of cash & cash equivalents and the existence of necessary available financing resources.

The extended economic crisis in Greece over the past years, the liquidity crisis in the banking sector and the economy in general created liquidity issues for the Group, despite the fact that its products are exported by 90%. The basic reasons that intensified the liquidity issues over the past years are the delay in VAT rebate payments by the Greek State, the reduction of credit limits by suppliers and the reduction of the repayment time of liabilities.

The Group, aiming at all times at the smooth operation of its companies and also at the largest possible liquidity, was the first corporate entity that submitted a request to restructure its bank debt, as well as its short-term credit lines, and finally implemented the respective restructuring plan.

The Group manages its liquidity needs on a daily basis and systematically monitors the maturity of both the receivables and the liabilities, with the objective to ensure sufficient working capital and achieve a smooth business operation.

On 31/12/2014, the Company completed the relevant entries for the conversion of its entire bank debt according to the new agreements following the restructuring and currently the short-term liabilities of the Company are fully covered by its current assets.

Due to the implemented bank debt restructuring within the year 2014, the Company achieved a time extension in the repayment of the majority of its bank debt, which is indirectly equivalent with additional working capital for the Company.

The analysis of Group's liabilities during the financial year 2015 is presented in the following table following the recently implemented bank debt restructuring:

Group					
Maturity of Liabilities	**0 to 6 months**	**6 months - 1 year**	**2 years - 5 years**	**Over 5 years**	**Total**
Long-term loans	0	0	48,152,569	53,694,416	101,846,985
Short-term loans	3,317,093	7,648,098	0	0	10,965,191
Long-term loans payable in the following year	0	4,454,877	0	0	4,454,877
Suppliers and other liabilities	61,422,591	10,067,058	0	0	71,489,649
	64,739,684	**22,170,033**	**48,152,569**	**53,694,416**	**188,756,702**

1.3. Borrowing – Interest Rate Risk

Due to the implemented bank debt restructuring, the Group confined to the lowest possible level its risk exposure against changes of interest rates, since the entire bank debt was converted into long-term debt which is subject to a floating rate based on Euribor plus a spread of 4.25%. Therefore the only risk exposure for the Group is the floating rate of borrowing (six-month or three-month Euribor).

The following table presents the sensitivity of the period's results and equity of the Group to a reasonable change in interest rates by +1% or –1% (2014-2015: +1% or -1%).

	31/12/2015	31/12/2014
Results for the year (+/-)	1,172,816	1,575,107
Equity (+/-)	832,699	1,165,579

1.4. Foreign Exchange Risk

The Group no longer has participations with commercial transactions and activity in countries other than the European Union, and therefore there is no significant risk from changes in exchange rates. The Group mainly operates in the European Union market with transactions primarily in euro, and as a result foreign exchange risk on receivables and liabilities from its activity is negligible. Apart from euro, the group has receivables from sales in America and England.

The amounts of other transactions in foreign currency are very small and do not affect the Company's and Group's financial statements.

We assume that as of 31 December 2015, a change in the exchange rate Euro / Foreign Currency occurs of the magnitude of +/-10%. The sensitivity analysis is based on the financial instruments in foreign currency held by the Group for each reporting period.

The financial assets and the respective liabilities in foreign currency, converted into Euro, according to the closing price are analyzed as follows:

	31/12/2015						31/12/2014					
	31/12/2015	CHF	JPY	NOK	DKK	USD	GBP	CHF	JPY	NOK	DKK	USD
Nominal Amounts												
Financial Assets	943,760	12,828	4	-	-	1,233,171	635,087	7,798	223	-	470	610,457
Financial Liabilities	(30,995)		(23,280)	-	-	(6,023)	(28,496)	(18,896)	(8,088)	(387)	-	(5,394)
Short-term exposure	**912,765**	**12,828**	**(23,276)**	**-**	**-**	**1,227,148**	**606,591**	**(11,098)**	**(7,865)**	**(387)**	**470**	**605,064**

The following table presents the sensitivity of the results and the shareholders' equity with respect to the financial assets and liabilities, and the exchange rate of Euro against the Foreign Currencies.

We assume that on 31 December 2015 there is a change in the Euro / Foreign currency exchange rate of 10%. The sensitivity analysis is based on financial instruments in foreign currency held by the Group for each reporting period. In case where the Euro appreciates or depreciates according to the above, the effect on the period's results and shareholders' equity has as follows:

	31/12/2015											
	GBP		CHF		JPY		NOK		DKK		USD	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
Result for the year (before taxes)	178,239	467,251	(23,632)	(26,492)	1,990	(2,663)	(331)	(405)	426	521	(177,986)	56,265
Equity	244,987	629,482	(23,632)	(26,492)	1,990	(2,663)	(331)	(405)	426	521	(177,986)	56,265

1.5. Credit Risk

The Group does not have a significant concentration of credit risk with any of its counterparties. Credit risk mainly emanates from cash & cash equivalents, financial derivatives and deposits in banks and financial institutions, as well as from exposure to credit risk from customers.

For its trade and other receivables the Group is not exposed to significant credit risk. Due to the large dispersion of its clientele, there is no significant concentration of credit risk as regards to its trade receivables as such are allocated among a large number of customers. The Group monitors its trade receivables through the Credit Control division and ensures their collection through credit insurance contracts, as well as through withholding ownership of the sold products (fish fry). There are no significant risks for the non-collection of receivables given that the company and Group have applied strict evaluation processes with criteria that minimize risk. The Group's exposure to credit risk is limited to financial assets which during the date of the Statement of Financial Position are analyzed as follows:

Categories of Financial Risks	31/12/2015	31/12/2014
Cash and cash equivalents	6,515,889	18,727,765
Trade and other receivables	31,120,402	42,352,276
Total	**37,636,291**	**61,080,041**

To minimize credit risk on cash & cash equivalents, as well on other short-term financial products, the Group set limits on its exposure and trades only with recognized high credit rating financial institutions.

2. OPERATING RISKS

2.1. Risk emanating from unfavorable changes in the prices of aquaculture products and from inventory impairment

Several factors may affect the price level of the aquaculture products. For example, in Greece, in the previous years there had been an increase in the production of sea bream and sea bass, and as result in such cases the oversupply of a product may lead to a decrease in selling prices. Moreover, the higher production levels of Turkish producers targeting the same market and also given the fact of the state subsidies granted to these producers, may lead in such cases to the sale of aquaculture products at significantly lower prices. On the other hand, the changes seen in consumer habits and consumers' turn to healthier ways of life and nutrition create higher demand for fish products. Finally the prices may be affected from climate conditions as well as extreme weather phenomena which now appear more frequently and intensely.

The level of prices does not only affect the value of sales but also the valuation of the biological inventory comprising by definition the most crucial asset of aquaculture companies. The biological inventories which can be sold given their size are valued at their trading price, whereas the inventories which cannot be sold due to their size are measured at their fair value. In case of reductions in the selling price of fish, then the value of the biological inventories will decrease, even without the occurrence of any other unfavorable event related to the production or not.

2.2. Raw Material Price Risk

The basic raw material in the production process is fish food, the raw materials of which are mainly fishmeal, fish oil and grains. As a result of the prices of raw materials, which are mainly defined by global markets and global demand and supply, the Group is exposed to fluctuation risk of the relevant prices. With the participation to Perseus SA, a fish food production plant, the Group has direct knowledge of the market and with the special team of partners, through procurement contracts of raw materials and/or spot purchases, makes efforts to achieve the maximum possible benefit within the production cost of the final product, namely fish. Despite the above, any change that arises due to global circumstances may affect prices of raw materials and as a consequence such may affect the Group's financial position and performance.

2.3. Market Risk – Dependence on Suppliers

A) Aquaculture Sector

Selonda Group is not exposed to market risk, nor does it largely depend on its suppliers, both as regards to the procurement of the basic raw material for the production of its products, and as regards to the procurement of other auxiliary materials or equipment for aquaculture. Due to the large development of the aquaculture sector in Greece, the largest and best market of aquaculture suppliers has been created in the country, generating significant synergies for Greek companies in the sector.

B) Fish Food Sector

Selonda Group operates in the fish food sector through its subsidiary PERSEUS SA. The basic suppliers of raw materials for the production of fish food are foreign houses, mainly from South America and North Europe, with large variety in quality and prices. However, due to the fact that fish meal and fish oil are materials traded on commodities markets, any differences in prices and quantities by suppliers arise through this global trading of these goods.

2.4. Human Workforce

The Group places a special emphasis on the development of its human workforce. The same is expected to occur in the present year given the significant role of human resources especially in the current tough economic and market conditions. The senior staff of the Group collaborates smoothly with the Management but also with one another. The business structure of the Group, its long-term history, its leading position in the sector and the current economic environment allow the Group to employ capable employees who can respond to the new challenges that lie ahead in the sector.

E. OTHER DATA AND INFORMATION FOR THE COMPANY AND THE GROUP

1) Group's Structure

The Group's companies that are included in the consolidated financial statements and the way they are consolidated in the group accounts are the following:

COMPANY	DOMICILE	Tax Unaudited Years	PERCENTAGE OF DIRECT & INDIRECT PARTICIPATION	CONSOLIDATION METHOD
SELONDA AQUACULTURE A.E.G.E.	30 Navarchou Nikodimou Str, Athens	2008-2013	Parent	
PERSEYS ABEE	Zevgolatio, Corinth	2011-2015	41.34%	Equity Method
AQUAVEST S.A.	30 Navarchou Nikodimou Str, Athens	2003-2015	100.00%	Full Consolidation
AQUANET S.A.	30 Navarchou Nikodimou Str, Athens	2012-2013	94.94%	Full Consolidation
POLEMARHA EPIDAVROS S.A.	30 Navarchou Nikodimou Str, Athens	2010-2015	100.00%	Full Consolidation
VILLA PRESIE SA	30 Navarchou Nikodimou Str, Athens	2010-2015	100.00%	Full Consolidation
DIVING PARKS SA	30 Navarchou Nikodimou Str, Athens	2010-2015	90.94%	Full Consolidation
INTERNATIONAL AQUA TECH LTD	North Linconshire, WALES	-	89.34%	Full Consolidation
POAY ARGOLIDAS - ARKADIAS SA	Kranidi - Ermionidos, County of Argolida	-	70.36%	Full Consolidation
POAY KORINTHIAS SA	Sofiko - Solygeia, County of Corinth	-	82.10%	Full Consolidation
SOUTH EVOIA JOINT VENTURE I	30 Navarchou Nikodimou Str, Athens	2010-2015	95.00%	Equity Method
BLUEFIN TUNA HELLAS SA	409 Vouliagmeni Ave, Ilioupoli	2013-2015	25.00%	Equity Method

2) Significant Transaction between the Group's companies and related parties

The Group's and Company's trade transactions with their affiliated entities during the financial year 2015, have taken place under normal market terms. The Group did not participate in any transaction with an unusual nature and does not intend to participate in any such transaction in the future.

The following tables present the intercompany sales and other intercompany transactions of the Company, with its subsidiaries and its affiliated companies as well as of members of the management, during the financial year 2015 and the intercompany balances of receivables and liabilities on 31-12-2015.

TRANSACTIONS OF THE PARENT COMPANY SELONDA WITH GROUP SUBSIDIARIES IN 2015				
COMPANIES	**OUTFLOWS**	**INFLOWS**	**RECEIVABLES**	**LIABILITIES**
SELONDA SA				
PERSEUS SA	28,898	43,785,547	0	0
RODOS ACQUACULTURE SA	60,944	72,600	0	0
EVOIKOS AQUACULTURE	0	23,099	0	0
INTERNATIONAL AQUA TECH LTD	0	0	0	25,228
SELONDA INTERNATIONAL LTD	0	0	0	0
AQUAVEST SA	600	0	69,269	0
DIVING PARKS SA	600	0	14,451	155,830
AQUANET SA	600	0	738	0
POLEMARHA EPIDAVROS SA	600	0	66,902	0
VILLA PRESIE SA	600	0	66,376	0
Total	**92,842**	**43,881,246**	**217,736**	**181,058**

TRANSACTIONS OF SELONDA GROUP WITH RELATED COMPANIES, AFFILIATED & JOINT VENTURES FOR YEAR 2015				
COMPANIES	**OUTFLOWS**	**INFLOWS**	**ASSETS**	**LIABILITIES**
BLUE FIN TUNA HELLAS SA	0	0	0	11,167
BLUE FIN TUNA HELLAS MARINE COMPANY	0	0	158,303	0
AKOYANET SA - KAIKI LTD / KALYMNOS JOINT VENTURE	0	0	0	5,511
SELONDA SA - ZOONOMI SA / SOUTH EVIA JOINT VENTURE	0	0	493,264	-1,568
MARMARI JOINT VENTURE	0	0	0	0
AQUANET AQUACULTURE SA - AKATOS SA, AKATOS JOINT VENTURE	0	0	0	16,898
AELLI SA	600	192,000	738	0
TENON SA	600	47,000	738	0
MERITAE ENTERPRISES COMPANY LIMITED	0	0	0	0
AKATOS AQUACULTURE SA	43,885	0	53,978	0
MARKELOS LEROU SA	226,234	14,168	38,400	22,194
BOD MEMBERS	0	0	0	47,970
SHAREHOLDERS (Banks)	41,224	6,388,871	5,570,622	117,267,052
Total	**312,543**	**6,642,040**	**6,316,043**	**117,369,224**
Grand Total	**405,385**	**50,523,286**	**6,533,779**	**117,550,282**

Company's purchases and sales from and towards subsidiaries, affiliated parties and members of management as such are defined by IAS 24, cumulatively from the beginning of the present period 1/1 – 31/12/2015 as well as the balances of receivables and liabilities of the aforementioned companies as at 31/12/2015 are as follows:

	GROUP		**COMPANY**	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Inflows				
Parent	0	0	0	0
Subsidiaries	0	0	83,710	10,785
Related	235,366	100,155	235,366	100,155
BoD members and executive directors	59	0	59	0
Joint ventures	0	0		0
Other related parties	45,085	1,330	45,085	1,330
Total	**280,510**	**101,485**	**364,220**	**112,270**

	GROUP		**COMPANY**	
Outflows	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Parent	0	0	0	0
Subsidiaries	0	0	43,920,744	45,807,609
Related	4,983,794	36,779	4,983,794	36,779
BoD members and executive directors	1,890,300	3,069,750	868,465	1,213,817
Joint ventures	0	0	0	0
Other related parties	283,520	264,000	283,520	264,000
Total	**7,157,614**	**3,370,530**	**50,056,524**	**47,322,205**

	GROUP		**COMPANY**	
Receivables	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Parent	0	0	0	0
Subsidiaries	0	0	1,394,620	390,633
Related	393,839	108,228	393,839	108,228
BoD members and executive directors	0	0	0	0
Joint ventures	493,264	250,479	493,264	250,017
Other related parties	213,758	4,871	213,758	4,871
Total	**1,100,860**	**363,578**	**2,495,480**	**753,749**

	GROUP		**COMPANY**	
Liabilities	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Parent	0	0	0	0
Subsidiaries	0	0	181,058	41,031,453
Related	37,589,756	22,243	37,589,756	16,665
BoD members and executive directors	82,911	144,979	82,911	133,342
Joint ventures	20,841	1,491,814	20,841	1,491,814
Other related parties	148,864	87,948	148,864	93,527
Total	**37,842,373**	**1,746,984**	**38,023,431**	**42,766,800**

Transactions with BoD members and executive directors	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
Parent	1,890,300	1,213,817	868,465	1,213,817
Subsidiaries	51,515	1,855,933	51,515	0
Related	0	0		0
Joint ventures	0	0		0
Other related parties	0	0		0
Total	**1,941,815**	**3,069,750**	**919,980**	**1,213,817**

	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
INFLOWS				
To subsidiaries	0	0	83,710	10,785
To other affiliated members	280,510	101,485	280,510	101,485
	280,510	**101,485**	**364,220**	**112,270**
OUTFLOWS				
To subsidiaries	0	0	43,920,744	45,807,609
To other affiliated members	7,157,614	3,370,530	6,135,779	1,514,596
	7,157,614	**3,370,530**	**50,056,524**	**47,322,205**
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
RECEIVABLES				
To subsidiaries	0	0	1,394,620	390,633
To other affiliated members	1,100,860	363,578	1,100,860	363,116
	1,100,860	**1,997,851**	**2,495,480**	**1,056,220**
LIABILITIES				
To subsidiaries	0	0	181,058	41,031,453
To other affiliated members	37,842,373	1,746,984	37,842,373	1,735,347
	37,842,373	**3,317,979**	**38,023,431**	**42,766,800**
BENEFITS - BALANCES TO THE MANAGEMENT				
Transactions and fees of management members	1,890,300	3,069,750	868,465	1,213,817
Receivables from management members	0	0	0	0
Liabilities to management members	82,911	144,979	82,911	133,342

The transactions towards subsidiaries concern sales of fry, fish and fish food, while towards affiliates, transactions refer to sales of fish fry and rents for building facilities.

The Company's transactions with the banks – shareholders of the Company are as follows:

Period 01.01.2015-31.12.2015	Amount
INFLOWS	6,160,990.54
OUTFLOWS	32,192.43
RECEIVABLES	5,802,224.99
LIABILITIES	123,019,932.90

Finally, the transactions (remuneration) of senior executives and members of the Board of Directors of the Group's companies in the financial year 2015 settled at € 1.9 million versus € 3.1 million in the previous year.

Period 01.01.2015- 31.1.2015	Group	Company
Payroll, other fees	797,965	797,965
Fees and attendance expenses of BOD members	1,092,335	70,500
	1,890,300	**868,465**

Period 01.01.2014- 31.12.2014	Group	Company
Payroll, other fees	198,133	198,133
Fees and attendance expenses of BOD members	2,871,618	1,015,684
	3,069,751	**1,213,817**

3. Significant Events after the End of Fiscal Year 2015

The Company announced, based on Law 3340/2005 and the decisions of the Board of Directors of the Hellenic Capital Market Commission, the replacement, dated on 01/02/2016, of the internal auditor Ms. Maria Zafeiris from Mr. Anastasios Hatzidimas, in enforcement of the decision of the Company's Board of Directors on 29/01/2016.

On 2/3/2016, the Multi-Member First Instance Court of Athens with the decision no 185/2016 accepted the petition for the restructuring of liabilities and ratified the respective agreement for restructuring in accordance with the clauses of articles 106b, 106f and 106h of Law 3588/2007.

Apart from the above events mentioned in the present report, there are no other events after the end of the financial year which ended on 31st of December 2015, that refer to the Group or the Company and they should be mentioned, according to the International Financial Reporting Standards (IFRS).

4. Information Required by the article 10, paragraph 1 of Guideline 2004/25/CMC:

The Company is subject to the Guideline 2004/25/CMC with regard to the public offerings for acquisition.

In the Financial Statements prepared by the Company and disclosed according to the means provided by law, chapter 12 analytically presents the structure of the Group.

The Company has not issued any securities which may grant special control rights to their owners. Also there are no limitations to the voting rights and the deadlines for exercising the above voting rights are the ones in effect during the General Meeting of shareholders. There are no bond loans convertible into equity and in general there are no systems or conditions which separate the ownership of the securities from the rights emanating from these securities. Moreover, on 31/12/2015 the Company held no treasury shares and there was no relevant stock repurchase plan in effect.

Athens, 31 March 2016

Athanasios Skordas

President of the Board of Directors

D. CORPORATE GOVERNANCE

1. STATEMENT OF CORPORATE GOVERNANCE

The present statement of corporate governance is prepared in accordance with the article 43a, paragraph 3, section d of P.L. 2190/1920 and contains the information elements stipulated by the above clause.

For the Company's Management, the proper and responsible corporate governance constitutes fundamental condition for the creation of value to its shareholders and for the safeguarding of corporate interests.

Towards this objective, the Company fully applies the legislation which regulates the conduct of the listed companies and furthermore has adopted the Greek Corporate governance Code which was issued in October 2013 from the Hellenic Corporate Governance Council (HCGC). The Company complies voluntarily with the above mentioned code.

The text of the Corporate Governance Code is posted on the website **http://www.esed.org.gr/esed** and apart from the "general principles" which are in effect for all companies, it also includes "special practices" applicable only for listed companies.

The applied, by the Company, policies and procedures are presented in the Articles of Association, the Internal Operating Regulation and the other Regulations and policies that govern the Company's separate operations.

The Company has not implemented additional corporate governance practices apart from what is defined in the respective legislation.

2. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Internal Control System and risk management system of the Company includes the operating structures, policies and procedures that aim at protecting the corporate interests, achieving the corporate goals and generating higher value to the shareholders and other partners of the Company.

The internal control system is determined and applied with the responsibility of the Board of Directors which has legislated procedures and policies concerning the recognition, classification and method of treatment of the business risks and other related risks, the safeguarding of the assets and the efficient operation of the company, the compliance to law, and the certainty about the accurate depiction of the financial position and performance of the company through the financial statements and reports of the Board of Directors.

The internal control system is supervised by the Audit Committee with the support of the Internal Control Service which has as main objective the assessment of effectiveness of internal control system. With this manner an opinion can be articulated on whether the existing system ensures that the objectives and pursuits of the Company will be fulfilled effectively and under the best economic terms.

Risk management of the Company with regard to the preparation of the financial statements

The procedures and the policies of risk management with regard to the preparation of the financial statements are planned and applied from the Financial Services in accordance with the rules that have been set by the Board of Directors and aim at the following:

- The monitoring, on regular basis, of the position and the accurate recording of the value of the assets, especially of the biological assets of the company.
- The timely recognition and recording of revenues and expenses, receivables and liabilities, with the objective to monitor the financial position and performance of the Company according to the International Accounting Standards.
- The fulfillment of the obligations in line with the corporate and tax legislation.

The objective of the above is to correctly depict the financial position and performance of the Company through the annual financial report and the interim financial statements. The above mentioned policies and procedures include the following:

- The enforcement of certain accounting principles and assumptions, and the procedure carried out by the independent auditors with regard to the monitoring and reporting of the compliance to the above.
- The preparation of budgets and the monitoring of their implementation both in terms of revenues and expenses through reports made to the BOD.
- The regular monitoring of the position and the valuation of the company's assets according to the IAS.
- The keeping of the Company's books in a reliable IT system with the parallel application of safety rules in order to limit any access to the above system.
- The approval of revenues and expenses, the monitoring of the compliance to the terms of the respective contractual agreements, and the approval of both the documentation and the payments.
- The enactment of rules for the monitoring and reporting of the transactions, the receivables and the liabilities with related parties.

3. GENERAL MEETING

The General Meeting of the shareholders is, according to the Articles of Association of the Company, the highest hierarchically body of management, deciding on all corporate issues and affairs, whereas its legally taken decisions constitute a commitment for all shareholders agreeing or not with the respective decisions.

The Board of Directors ensures that the preparation and occurrence of the General Meeting of shareholders facilitates the effective exercise of the rights of shareholders.

For this purpose, as it is stipulated by the relevant legislation, the Company releases an invitation for General Meeting at least 20 days prior to its convocation. The invitation clearly states the place and the time of the meeting, the subjects of the daily agenda and the procedure that must be followed in order for the shareholders to be eligible to participate and vote in the meeting.

The General Meeting is in quorum and convenes under the condition that at least one fifth (1/5) of the share capital is in attendance or represented, apart from cases in which according to the article 29, paragraph 3 of PL 2190/1920 there is a requirement for an increased quorum meaning 2/3 of the paid up share capital. These cases include among others the decisions concerning the change of the nationality or the business objective of the company, the change of the distribution of earnings and the merger, dissolution, conversion, recovery, extension of the term or liquidation of the company.

The General Meeting holds the exclusive responsibility to approve the following subjects:

a) The amendment of the Articles of Association

b) The increase or decrease of the share capital

c) The election of the members of the Board of Directors and the Certified Auditors

d) The approval of the annual financial statements approved by the company

e) The distribution of the annual earnings

f) The merger, dissolution, conversion, recovery, extension of the term or liquidation of the company, and

g) The appointment of liquidators.

The President of the BOD temporarily presides over the General Meeting, or in case of any hindrance a deputy person is appointed. The duties of Secretary are exercised temporarily by the person appointed by the President. After the approval of the list of shareholders who possess voting rights, the Meeting elects its Chairman and the Secretary who also acts as vote collector.

The discussions and decisions of the General Meeting are confined to the subjects presented in the daily agenda.

With regard to the subjects discussed and decided during the meeting, there are minutes signed by the Chairman and the Secretary. The copies and the extracts of the minutes are ratified by the President of the BOD or his/her deputy.

The summary of the Minutes along with the decisions of the General Meeting is posted on the website of the company within 5 days from the date of the General Meeting and is released according to the legislation concerning the regulated information.

Shareholders' Rights

All rights and obligations stipulated by Law and the Company's Articles of Association emanate from each share. The ownership of the share leads by fair and lawful presumption to the acceptance of the Company's Articles of Association and the decisions which have been made according to them, by the various bodies of the Company.

The rights of the Company's shareholders emanating from its share are proportional to the percentage of the capital which each paid value of share corresponds to. Each share grants all rights provided by Law and the Company's Articles of Association, and specifically:

- The right concerning the collection of dividend from the annual earnings or the earnings deriving from the liquidation of the Company.
- Percentage of 35% of the net earnings after the deduction of only the statutory reserve or the valuation gains is distributed from the earnings of each fiscal year to the shareholders as first dividend, whereas the granting of a second dividend is under the approval of the General Meeting. Every shareholder as of the effective dividend date is entitled to receive dividend. The dividend of each share is paid to the shareholder within two (2) months from the date of the Ordinary General Meeting which approved the Annual Financial Statements. The payment details of the dividend are announced through the press. The right for dividend collection is waived and no longer exists whereas the respective amount is transferred to the Greek State after the passage of 5 years from the end of the year, during which the General Meeting approved the dividend distribution.
- The right to recollect the contribution during the liquidation of the company or respectively, to amortize the capital that corresponds to each share, provided that such right is approved by the General Meeting.
- The preemptive right with regard to any share capital increase of the Company through cash and the ownership of new shares.
- The right to receive a copy of the financial statements and the reports of the certified auditors and the Company's Board of Directors.
- The right to participate in the General Meeting, consisting of the following separate rights: legalization, attendance, participation in the discussions, submission of proposals in the daily agenda, recording of views in the minutes of the meeting, and voting right.
- The General Meeting of the Company's shareholders sustains all its rights during liquidation.

The responsibility of the Company's shareholders is confined to the nominal value of the shares owned by them.

4. BOARD OF DIRECTORS AND OTHER SUPERVISING BODIES AND COMMITTEES

4.1 BOARD OF DIRECTORS

The Company, in accordance with its Articles of Association, is administered by the Board of Directors consisting of three (3) up to eleven (11) members. The term of the new Board of Directors according to the Articles of Association of the Company is five (5) years.

The BOD consists of executive, non executive and independent non executive members. The executive members deal with the daily issues of the Company's management, whereas the non-executive members are assigned with the development and progress of all the corporate issues.

The election of the members of the Board of Directors is conducted at the General Meeting of shareholders according to the provisions of P.L. 2190/1920. The changes in the composition of the Board of Directors that occur within the fiscal year are announced according to the Law in the following General Meeting of Shareholders. The members of the Board of Directors can be always reelected and freely revoked.

The Board of Directors by acting collectively has the management and the administration of the corporate issues. It generally decides about any subject concerning the Company and proceeds with any action apart from those which are governed by the General Meeting of shareholders according to the law of the Articles of Association.

The Board of Directors of the Company possesses, to its entirety, adequate knowledge and experience in order to monitor and oversee the Company's operations either directly or indirectly through the pertinent committees of the Board of Directors.

In order to effectively handle cases of conflict of interests, the Company adopts the best practices and principles of corporate governance with regard to the separation of the executive and supervisory duties of the members of the Board of Directors.

All members of the Board of Directors attend the General Meeting in order to inform the shareholders and provide the necessary clarifications on issues of their jurisdiction. The Chairman of the General Meeting provides sufficient time for the submission of questions on behalf of the shareholders.

Composition – Term of the Board of Directors

The composition of the existing Board of Directors of the Company which consists of five (5) members and was elected by the Extraordinary General Meeting of shareholders on 03/12/2015 is the following:

1. PRESIDENT – NON-EXECUTIVE MEMBER: **ATHANASIOS SKORDAS of IOANNIS**, economist, resident of Stamata of Attica, Greek citizen.

2. VICE PRESIDENT & MANAGING DIRECTOR – EXECUTIVE MEMBER: **MICHALIS PANAGIS of NEOKLIS**, chemist, resident of Filothei of Attica, Greek citizen.

3. NON-EXECUTIVE MEMBER: **ADAMANTINI LAZARI of KONSTANTINOS**, economist, resident of Athens, Greek citizen.

4. INDEPENDENT NON-EXECUTIVE MEMBER: **PANAGIOTIS ALLAGIANNIS of IOANNIS**, economist, resident of Voula of Attica, Greek citizen.

5. INDEPENDENT NON-EXECUTIVE MEMBER: **MICHAEL KOKKINOS of ALEXANDROS**, economist, resident of Agia Varvara of Attica, Greek citizen.

The term of the new Board of Directors according to the Articles of Association of the Company is set at **five (5) years** and therefore the present Board of Directors will be in office until, and including, the Ordinary General Meeting which will convene within the First Half of the year 2021.

4.2 COMPOSITION AND OPERATION OF THE AUDITING BODIES AND COMMITTEES

The Board of Directors, with regard to its auditing role is supported by the following committees

4.2.1 Audit Committee

The Audit Committee is three-member and consists of non-executive members of the BOD possessing the required knowledge and experience, in accordance with the Operating Regulation. The composition of the Committee which was approved by the BOD on 3/12/2015 is the following:

1. **ADAMANTINI LAZARI OF KONSTANTINOS** – NON-EXECUTIVE MEMBER
2. **PANAGIOTIS ALLAGIANNIS OF IOANNIS** – INDEPENDENT NON-EXECUTIVE MEMBER

3. **MICHAEL KOKKINOS OF ALEXANDROS** - INDEPENDENT NON-EXECUTIVE MEMBER

The Audit Committee, has as its main task, the provision of support towards the Board of Directors of the Company with regard to the certainty of the effectiveness of the accounting and economic systems, of the auditing mechanisms, of the business risk management systems, the monitoring of compliance with the legal and regulatory framework, and the effective application of the principles of Corporate Governance.

The Audit Committee reviews and ensures the independent status of the Independent Certified Auditors of the Company and becomes informed about their findings, as well as the Audit Reports on the annual or interim Financial Statements of the Company.

At the same time, it proposes corrective actions and procedures in order to handle any findings or weaknesses in areas relating to the provision of financial information or other important operations of the Company.

Internal Control Service

The Internal Control Service supports the Audit Committee in fulfilling its duties.

Mr. Anastasios Hatzidimas has been appointed as the head of the **Internal Control Service**. During the exercise of his duties, he is independent, reports to no other service of the Company and is supervised by the Audit Committee.

4.2.2 Remuneration & Nomination Committee

The Company has a three-member Remuneration & Nomination Committee, consisting of non executive members of the Board of Directors. The composition of the Committee was determined by the BoD on 5/2/2016 and is the following:

1. **PANAGIOTIS ALLAGIANNIS OF IOANNIS** – INDEPENDENT NON-EXECUTIVE MEMBER AND CHAIRMAN OF THE COMMITTEE
2. **ATHANASIOS SKORDAS OF IOANNIS** – CHAIRMAN OF THE BOD NON-EXECUTIVE MEMBER
3. **MICHAEL KOKKINOS OF ALEXANDROS** - INDEPENDENT NON-EXECUTIVE MEMBER

Specifically for the Remuneration & Nomination Committee, **Mr. Sotirios Hatoupis**, Personnel Manager, has assumed the position of the Secretary.

The responsibilities of the Remuneration & Nomination Committee are the following:

A) With regard to the assessment of the candidacies:

- Determination of the selection criteria and the procedures for the appointment of the members of the BOD, the completion of the above procedures, and the submission of proposals to the BOD for the presentation of its member - candidates.
- The submission of proposals with regard to the policy of balance and multiformity, including with regard to the two genders.
- The periodical assessment of the size and the composition of the BOD, as well as the submission to the BOD of proposals with regard to its desired profile.
- The assessment of the existing balance in terms of qualifications, knowledge, views, abilities and experience with regard to the corporate targets, the clear description of the role and the abilities required for the fulfillment of any vacant positions.

B) With regard to the determination and application of the Remuneration Policy:

- The submission of proposals to the BOD for any corporate policy linked to the remuneration.
- The submission of proposals to the BOD with regard to the remuneration of each executive member, including the incentives-based remuneration.

- The regular review of the salary of the executive members of the BOD and of the other terms of their contracts including the compensation in case of leave.
- The review and submission of proposals to the BOD with regard to the total size of the annual variable fees (apart from the salaries) in the Company.

5. DEVIATIONS FROM THE CORPORATE GOVERNANCE CODE

The Company applies the general principles of the Corporate Governance Code.

With regard to the special practices of the code, concerning publicly traded companies, there are some cases of non-compliance, for which a summarized analysis and justification follows below:

Relevant part of the code	**Description of deviation**	**Justification**
A. 2.1	The Board of Directors consists of five members of which four are non-executive and one executive member.	The existing size as well as the composition of the BOD was deemed as necessary following the change in the shareholders' structure after the capitalization of loans by the creditor banks.
A. II. 2.8	With regard to the composition of the Board of Directors, the Company does not apply a multiformity policy with regard to the two genders.	The relevant procedure will be incorporated in the internal Regulation of the Company.
A. 5.1	The members of the BOD have a 5-year term and not 4-year.	The Company due to the particular characteristics of its business sector does not encourage the election of the BOD for a shorter term.
A. 6.1	There is no predefined operational rulebook for the BOD.	The Company is in the stage of incorporating the operating regulation of the BOD into its Internal Regulation.
A. 6.1	At the beginning of each calendar year, the BOD does not adopt a meeting diary and a 12-month action plan, which is regularly revised according to the needs of the Company.	The adoption of the annual program of meetings will be incorporated into the Operating Regulation of the BOD.
A. 6.5 & 6	There is no provision for the existence of introductory information programs concerning the new BOD members as well as the constant professional preparation and training for the remaining members.	As to be elected members of the BOD, individuals with proved experience and organizational – administrative capabilities are proposed.

A. 6.8 & 9	There is no special provision for the supply of resources to the committees of the BOD for the fulfillment of duties and the hiring of external advisors.	All requests from any department with regard to the hiring of external consultants are reviewed by the BOD and approved per case, based on the corporate needs each time in effect.
A. 7.1 A. 7.3	Apart from the evaluation of the BOD, via the Management Report, from the annual Ordinary General Meeting of shareholders, no other procedure concerning the assessment of the BOD exists.	The introduction of an evaluation system of the BOD and of its committees is under review.
C. 1.3	There is no provision that the BOD can request and claim the return of the entire or of a part of the bonus that has been granted, due to revised financial statements of the previous years or in general based on incorrect financial data, utilized for estimating the above bonus.	The practices and the results so far do not support the need of such a provision, since any bonuses are paid only after the final audit of the financial statements.

E. EXPLANATORY REPORT BY THE BOARD OF DIRECTORS

Analytical Information of paragraph 7 article 4 of L3556/2007

According to article 4 paragraph 7 of L. 3556/2007, the Company is obliged to include in the present report by its Board of Directors, detailed information as regards to the following issues as well as an explanatory report on additional information stipulated by article 4 par. 7 of L. 3556/2007 according to those defined by paragraph 8 of article 4 of L. 3556/2007. The explanatory report concerns the developments regarding the information of paragraph 7 of L. 3556/2007 and refers to the financial year.

I. Structure of the Company's Share Capital

The share capital of the company amounts to sixty one million two hundred seventy thousand five hundred fifty five Euros and twenty cents (€ 61,270,555.20), divided into two hundred four million two hundred thirty five thousand and one hundred eighty four (204,235,184) common registered shares having voting right and nominal value of thirty cents (€ 0.30) each.

All Company shares are listed on the Securities Market of the Athens Exchange (indices: Food & Beverage Index – Agriculture and Fishery of Athens Exchange).

Each share provides all the rights and obligations defined by the Law and the articles of association of the Company. Ownership of a share implies full acceptance of the Company's Articles of Association and the decisions made, according to the Articles of Association, by the Company.

The shareholder's rights are proportionate to the percentage of capital represented by the value of shares they hold. Each share entails all the rights stipulated by law and the Company's articles of association and specifically:

• Right to dividend from the Company's annual earnings as well as to the wealth of the Company in case of liquidation.

A percentage of 35% of net earnings after the deduction of only the statutory reserve or valuation profit is distributed from the earnings of each period to shareholders as first dividend, while any possible interim dividend is decided on by the General Meeting. Each shareholder who owns share during the ex dividend date is entitled to dividend. The dividend of each share is paid to shareholders within two (2) months from the date of the Ordinary General Meeting that approved the Annual Financial Statements. The method and means of payment is announced through the Press. The right to receive dividend is terminated and the relevant amount is transferred to the Greek State after 5 years from the end of the year, during which the distribution was approved by the General Meeting.

• The right to contribution during liquidation or respectively, the amortization of capital that corresponds to the share, by means of a decision by the General Meeting,

• Pre-emptive right to any share capital increase of the Company with cash and purchase of new shares,

• The right to receive copy of the financial statements and management and auditors reports

• The right to contribution during liquidation or respectively, the amortization of capital that corresponds to the share, by means of a decision by the General Meeting,

- The right to participate in the General Assembly, which is specialized in the following rights: legitimacy, presence, participation, in discussions, proposal submission regarding the daily agenda, recording of the opinions in the minutes and voting
- The General Assembly retains all the rights during the liquidation

The responsibility of the shareholders is up to the amount of the shares' nominal value that they hold.

II. Limitations to the transfer of Company shares

The transfer of Company shares takes place as stipulated by the Law and there are no limitations regarding such transfers from its Articles of Association, given that the shares are dematerialized and listed on the Athens Exchange.

III. Significant direct or indirect holdings according to the definition of articles 9 and 11 of L.3556/2007

On 31.12.2015 the following shareholders owned a percentage over 5% of the Company's total voting rights:

Piraeus Bank	33.156%
Alpha Bank	23.011%
National Bank of Greece	10.991%
Eurobank Ergasias	10.980%

Shares providing special control rights

There are no Company shares that provide special control rights to owners.

IV. Limitations on voting rights

According to the Company's Articles of Association, there are no limitations on voting rights emanating from its shares.

V. Agreements between Company shareholders

To the knowledge of the Company there are no shareholder agreements, which result in limitations on the transfer of shares or limitations on the exercise of voting rights that derive from its shares.

VI. Rules for appointment and replacement of BoD members and amendment of the Articles of Association

The rules stated by the Company's Articles of Association regarding the appointment and replacement of its Board of Directors' members and the amendment of the provisions of its Articles of Association do not differ from those stipulated by C.L. 2190/1920.

VII. Responsibility of the BoD or specific BoD members for the issuance of new shares or the purchase of treasury shares

In accordance with the provisions of article 13 par. 1 verse b) of C.L. 2190/1920, the Company's Board of Directors has the right, following a relevant decision by the General Meeting that is subject to the disclosure requirements of article 7b of C.L. 2190/1920, to increase the Company's share capital with the issue of new shares, by means of a decision made with a quorum of two thirds (2/3) of its total members. In this case, the share capital may increase until the amount of capital that is paid up during the date when the relevant authority was provided to the Board of Directors by the General Meeting. Such authority of the Board of Directors may be renewed by the General Meeting for a time period that does not exceed five-years for each renewal.

VIII. Significant agreements made by the Company and put into effect, amended or terminated in case of a change in the Company's control following a tender offer

In case of a change in the Company's control following a tender offer, there are no agreements, which are put into effect, amended or terminated.

IX. Any agreement made by the Company with BoD members or the Company's staff

There are no agreements of the Company with the members of its Board of Directors or with its staff, which stipulate the payment of indemnity specifically in case of resignation or termination of employment without reasonable cause or of termination of their term or employment, due to a tender offer.

C. INFORMATIONAL NOTE OF ARTICLE 10 OF LAW 3401/2005

During the fiscal year 2015, the Company published press releases – corporate announcements as well as announcements concerning regulated information with the purpose to timely inform the investor community.

The documents (Press Releases, Corporate Announcements and Invitations), as well as any other announcement which the Company has issued from the time of its establishment are available on the website (www.selonda.com) in the section "Investor Relations", categorized according to the announcement date.

Athens, 31 March 2016

THE BOARD OF DIRECTORS

F. Annual Financial Statements

The accompanying financial statements were approved by the Board of Directors of "SELONDA AQUACULTURE A.E.G.E." on 31/03/2016 and have been published by their posting on the internet, on the website www.selonda.com or www.selonda.gr as well as on the Athens Exchange website, where such will remain at the disposal of investors for a period of at least five (5) years from the preparation and release date of the financial statements.

It is noted that the published in the Press brief financial data and information that are derived from the financial statements, aim at providing readers with general information on the financial position and results of the company, but do not provide a complete picture of the financial position, financial performance and cash flows of the Company and Group, according to the International Financial Reporting Standards.

1. Statement of Financial Position

(amounts in €)		GROUP		COMPANY	
ASSETS		**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
	Note				
NON-CURRENT ASSETS					
Tangible Fixed Assets	7.1	27,849,067	43,461,510	27,769,059	31,152,032
Investment Property		9,002,000	11,392,000	0	0
Intangible Assets	7.2	453,097	422,595	453,097	392,929
Company Goodwill		0	0	0	0
Investments in Subsidiaries		0	0	17,753,373	22,992,046
Investments in Related companies		2,051,621	0	5,389,963	0
Investments Available for Sale		240,416	901,107	241,451	241,451
Other long-term receivables		250,275	1,453,117	250,275	203,109
Deferred tax assets	10	88,823	108,775	0	0
Biological Assets	8	14,090,918	43,552,591	14,090,918	43,552,591
		54,026,218	**101,291,696**	**65,948,135**	**98,534,157**
Current Assets			0		0
Biological Assets	8	109,487,386	62,430,330	109,487,386	62,430,330
Inventories		5,929,186	7,078,388	5,785,994	4,889,995
Trade Receivables		20,598,911	32,663,160	20,132,250	18,820,910
Other receivables & Prepayments		10,521,491	9,689,116	10,436,732	5,072,326
Investments held for Commercial Purposes		51,684	82,248	51,684	33
Cash & cash equivalents		6,515,889	18,727,765	5,817,303	13,327,180
		153,104,546	**130,671,008**	**151,711,347**	**104,540,775**
			0		**0**
Asset items held for sale		**0**	**0**	**0**	**0**
			0		**0**
TOTAL ASSETS		**207,130,764**	**231,962,704**	**217,659,483**	**203,074,932**
			0		0
EQUITY & LIABILITIES			0		0
Equity			0		0
Share Capital		61,270,555	61,270,555	61,270,555	61,270,555
Share Premium		13,168,902	13,168,902	13,168,902	13,168,902
Treasury shares		0	0	0	0
Reserves		36,804,837	36,626,131	35,173,696	35,173,696
Reserves from cash flow hedging		0	0	0	0
Fixed assets' fair value reserves		8,105,955	10,814,018	6,842,393	9,353,347
Fair value reserves		-175,318	13,438	0	0
Foreign exchange differences		35,413	-10,848	0	0
Retained earnings		-115,764,516	-105,146,368	-101,377,953	-99,009,262
Shareholders' Equity		**3,445,828**	**16,735,828**	**15,077,592**	**19,957,238**
Non-controlling interests (b)		160,277	11,920,837	0	0
Total Equity	**11.**	**3,606,105**	**28,656,665**	**15,077,592**	**19,957,238**
			0		0
Non-Current Liabilities			0		0
Bank Loans	16	101,852,327	111,771,785	101,846,984	101,965,853
Other Long-term Liabilities		0	0	0	0
Deferred tax liabilities	10	7,893,740	10,894,387	6,834,501	7,182,186
Employee benefits	12	1,388,796	1,365,948	1,388,796	1,138,986
Deferred income/Grants		968,175	1,784,788	968,175	1,784,788
Provisions		0	0	0	0
		112,103,037	**125,816,909**	**111,038,455**	**112,071,813**
Current liabilities			0		0
Trade and other Creditors		71,489,649	34,093,242	71,012,866	62,246,191
Short-term bank debt	16	10,974,348	23,614,632	10,965,191	4,952,197
Current Tax Liabilities		1,942,960	1,057,654	1,639,056	752,084
Other Short-term Liabilities		2,559,786	4,786,100	3,471,445	3,095,409
Long-term Liabilities Payable in next period	16	4,454,877	13,937,500	4,454,877	0
		91,421,620	**77,489,129**	**91,543,434**	**71,045,881**
			0		**0**
Total Liabilities		**203,524,657**	**203,306,037**	**202,581,889**	**183,117,694**
TOTAL EQUITY & LIABILITIES		**207,130,762**	**231,962,703**	**217,659,481**	**203,074,932**

The attached notes comprise an integral part of the annual financial statements.

Note: The amounts of the comparative period (see note 8.2).

2. Statement of Total Comprehensive Income

(amounts in €)		GROUP Current Period 01/01-31/12/2015	GROUP Comp. Period 01/01-31/12/2014	COMPANY Current Period 01/01-31/12/2015	COMPANY Comp. Period 01/01-31/12/2014
Fair Value of Biological assets as at 31.12.2014	12.9	**-105,982,921**	**-96,940,372**	**-105,982,921**	**-96,934,578**
Acquired Inventory from Subsidiaries			0		0
Purchases during the period	12.9	-17,847,701	-8,229,718	-17,766,801	-8,220,275
Sales during the period	12.9	112,921,928	101,509,137	112,897,183	101,508,668
Fair Value of Biological assets as at 31.12.2015	12.9	123,578,304	105,982,921	123,578,304	105,982,921
Profit (Loss) from changes in Fair Value of Biological assets as at 31/12/2014		**112,669,610**	**102,321,968**	**112,725,765**	**102,336,737**
Sales of Merchandise & Other Materials	13	29,253,044	17,986,602	27,051,825	15,689,340
Sales of Fish Food	13	6,515,177	16,147,003	426,492	653,505
Sales of Services	13	638	27,749	21,085	29,749
Cost of sales of fish food, merchandise & services		-29,103,583	-29,038,007	-25,651,351	-15,554,740
Cost of Consumables, raw & auxiliary materials		-59,707,096	-46,231,747	-65,431,785	-54,146,371
Employee remuneration and expenses		-16,398,245	-15,345,310	-14,693,648	-13,907,473
Third Party Fees & Benefits		-18,663,375	-13,865,403	-16,755,608	-11,749,186
Other Expenses		-11,055,123	-11,524,144	-10,237,082	-10,195,172
Other Income/(Expenses)	13.2	-1,926,382	-440,413	-1,650,548	-860,440
Depreciations		-4,397,404	-3,288,948	-3,601,512	-2,564,939
Financial Income	13.1	127,402	7,199,749	41,224	7,085,739
Financial Expenses	13.1	-8,344,384	-13,003,083	-6,445,149	-10,360,162
Results from Investment Activities		-7,069,553	-170,595	51,651	-451,902
Profit (Loss) from Related Companies		139,096	-11,652		0
Loss due to revaluation of property		-2,390,000	-4,915,890		-3,684,577
Other financial results		0	42,000,000		42,000,000
Earnings/(loss) before taxes		**-10,350,179**	**47,847,877**	**-4,148,643**	**44,320,107**
Income tax	18	-1,151,385	-934,685	0	0
Deferred income tax	18	373,204	-389,316	-62,556	-783,878
Tax audit differences	18	-378,727	0	-184,519	0
Earnings / (loss) after tax from continued operations		**-11,507,087**	**46,523,877**	**-4,395,718**	**43,536,230**
Earnings / (loss) after tax from discontinued operations			0	0	0
Earnings/(loss) after taxes		**-11,507,087**	**46,523,877**	**-4,395,718**	**43,536,230**
Other comprehensive income					
Amounts which are not reclassified in the Statement of Results:					
Reserve due to revaluation of fixed assets		-626,821	17,362,345	-626,821	12,639,658
Actuarial Profit / (Losses)		-246,088	-240,476	-246,088	-240,476
Expenses due to share capital increase		-21,160	-636,658	-21,160	-636,658
Taxes related to other comprehensive income that is not reclassified		399,523	-4,247,631	410,241	-3,058,256
Amounts that are reclassified in the Statement of Results:					
Foreign exchange differences from conversion of foreign operations		51,781	-7,534		
Financial assets available for sale					
- earnings / (losses) of the the current period		-235,967	-121,390		
- reclassification in the earnings or losses for the period		-27,495	27,300		
Other comprehensive income for the period after taxes		**-706,227**	**12,135,956**	**-483,828**	**8,704,268**
Total comprehensive income from continued operations		**-12,213,314**	**58,659,833**	**-4,879,546**	**52,240,498**
Total comprehensive income from discontinued operations			**0**		0
Total Comprehensive Income		**-12,213,314**	**58,659,833**	**-4,879,546**	**52,240,498**

Earnings / (loss) after tax allocated to:					
Owners of the parent:					
Earnings / (loss) from continued operations		-12,659,147	45,036,327	-4,395,718	43,536,230
Earnings / (loss) from discontinued operations		0	0	0	0
Earnings / (loss) allocated to shareholders of the parent		**-12,659,147**	**45,036,327**	**-4,395,718**	**43,536,230**
Non-controlling interests:					
Earnings / (loss) from continued operations		1,152,059	1,487,550		
Earnings / (loss) from discontinued operations		0	0		
Earnings / (loss) allocated to non-controlling interests		**1,152,059**	**1,487,550**		
Total Comprehensive Income allocated to:					
Owners of the parent:					
Earnings / (loss) from continued operations		-13,216,347	55,100,887	-4,879,546	52,240,498
Earnings / (loss) from discontinued operations			0		
Earnings / (loss) allocated to shareholders of the parent		**-13,216,347**	**55,100,887**	**-4,879,546**	**52,240,498**
Non-controlling interests:					
Earnings / (loss) from continued operations		1,003,032	3,558,946		
Earnings / (loss) from discontinued operations			0		
Earnings / (loss) allocated to non-controlling interests		**1,003,032**	**3,558,946**	**0**	**0**
Earnings per share					
Earnings per share from continued operations	19				
Allocated to owners of the parent		-12,659,147	4,783,591	-4,395,718	3,283,494
Number of Shares		37,616,006	37,616,006	37,616,006	37,616,006
Earnings per share		**-0.3365**	**0.1272**	**-0.1169**	**0.0873**
Earnings per share from discontinued operations					
Allocated to owners of the parent		0	0	0	0
Number of Shares		0	0	0	0
Earnings per share		**0.0000**	**0.0000**	**0**	0
Earnings before interest, tax, depreciation and amortization (EBITDA)		**11,584,664**	**20,038,297**	**5,805,144**	**12,295,948**

The attached notes comprise an integral part of the annual financial statements.

Note: The amounts of the comparative period (see note 8.2).

3. Consolidated statement of changes in equity

STATEMENT OF CHANGES IN EQUITY										
amounts in €	**THE GROUP**									
	Share Capital	**Share Premium**	**Reserves**	**Fair value reserve**	**Fixed assets' fair value reserves**	**FX Differences**	**Retained Earnings**	**Equity attributed to the parent company's shareholders**	**Non-Controlling Interests**	**Total Equity**
Equity balance as at 31 December 2014	**61,270,555**	**13,168,901**	**36,626,131**	**13,439**	**10,814,018**	**-10,848**	**-105,146,368**	**16,735,828**	**11,920,839**	**28,656,667**
Incorporation / Exclusion of Subsidiary Companies	0	0		0	0		0	**0**		**0**
Transactions with the parent company	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net results for the period 01/01/2014-31/12/2014	0	0	0	0	0	0	45,036,326	**45,036,326**	1,487,550	**46,523,876**
Other comprehensive income:	0	0	0	0	0	0	0			
Financial assets available for sale	0	0	0	0	0	0	0	**0**		**0**
- earnings/(losses) of the current period	0	0	0	-50,183	0	0	0	**-50,183**	-71,207	**-121,390**
- reclassification in the results	0	0	0	11,286	0	0	0	**11,286**	**16,014**	**27,300**
FX differences from conversion of business activities abroad	0	0	0	0	0	-6,731	0	**-6,731**	-803	**-7,534**
Reserve due to the revaluation of fixed assets	0	0	0	0	14,592,017	0	0	**14,592,017**	2,770,328	**17,362,345**
Actuarial (gains) / Losses	0	0	0	0	0	0	-240,476	**-240,476**		**-240,476**
Income taxes related to the items of other comprehensive income	0	0	0	0	-3,777,999	0	62,526	**-3,715,473**	-697,687	**-4,413,160**
Other comprehensive income for the period after taxes	**0**	**0**	**0**	**-38,897**	**10,814,018**	**-6,731**	**-177,950**	**10,590,440**	**2,016,645**	**12,607,085**
Total comprehensive income for the period after taxes	**0**	**0**	**0**	**-38,897**	**10,814,018**	**-6,731**	**44,858,376**	**55,626,766**	**3,504,195**	**59,130,961**
Equity balance as at 31 December 2014	**61,270,555**	**13,168,901**	**36,626,131**	**13,439**	**10,814,018**	**-10,848**	**-105,146,368**	**16,735,828**	**11,920,839**	**28,656,667**
Equity balance as at 31 December 2014	**61,270,555**	**13,168,901**	**36,626,131**	**13,439**	**10,814,018**	**-10,848**	**-105,146,368**	**16,735,828**	**11,920,839**	**28,656,667**
Non-controlling interests from the initial acquisition of subsidiaries	0	0	0	0	0	0	0	0	48,710	48,710
Share premium	0	0	0	0	0	0	0	**0**		**0**
Formation of statutory reserve of subsidiary	0	0	178,706	0	0	0	-178,706	**0**	0	**0**
Proportional tax from offsetting tax free reserves according to Law 4172	0	0	0	0	0	0		**0**		**0**
Transfer between reserves and earnings carried forward	0	0	0	0	0	0	0	**0**	0	**0**
Share capital increase from capitalization of liabilities	0	0	0	0	0	0		**0**		**0**
Expenses due to share capital increase	0	0	0	0	0	0	-21,260	**-21,260**		**-21,260**
Deferred taxes on expenses from share capital increase	0	0	0	0	0	0	-165,531	**-165,531**		**-165,531**
Exclusion of subsidiaries								**0**	-12,806,015	**-12,806,015**
Reserve due to share capital decrease	0	0	0	0	0	0		**0**		**0**
Transactions with the parent company	**0**	**0**	**178,706**	**0**	**0**	**0**	**-365,497**	**-186,791**	**-12,757,305**	**-12,944,096**
Net Results for the Period 01/01-31/12/2015	**0**	**0**	**0**	**0**	**0**	**0**	-12,659,147	**-12,659,147**	1,152,059	**-11,507,088**
Other Comprehensive Income:										
Revaluation of Property					-3,195,163		2,568,342	**-626,821**		**-626,821**
Deferred taxes from revaluation of property					820,624			**820,624**	-71,085	**749,539**
Effect from change of tax rate					-333,524		0	**-333,524**	64,798	**-268,726**
Financial assets available for sale	0	0	0	0	0	0	0	**0**		**0**
- earnings/(losses) of the current period	0	0	0	-97,549	0	0	0	**-97,549**	-138,418	**-235,967**
- reclassification in the results	0	0	0	-11,366	0	0	0	**-11,366**	-16,129	**-27,495**
FX differences from conversion of business activities abroad	0	0	0	0	0	46,261	0	**46,261**	5,520	**51,781**
Reserve due to the revaluation of fixed assets	0	0	0	0	0	0	0	**0**	0	**0**
Share in other comprehensive income of investments consolidated with the equity method								**0**		
- current period				-61,836				**-61,836**	0	**-61,836**
- reclassification in the earnings or the losses for the period				-18,005				**-18,005**		**-18,005**
Actuarial (gains) / Losses	0	0	0	0	0	0	-246,088	**-246,088**		**-246,088**
Income taxes related to the items of other comprehensive income	0	0	0	0	0	0	84,242	**84,242**		**84,242**
Other comprehensive income for the period after taxes	**0**	**0**	**0**	**-188,756**	**-2,708,063**	**46,261**	**2,406,496**	**-444,062**	**-155,314**	**-599,376**
Total comprehensive income for the period after taxes	**0**	**0**	**0**	**-188,756**	**-2,708,063**	**46,261**	**-10,252,651**	**-13,103,209**	**996,745**	**-12,106,464**
Equity balance as at 31 December 2015	**61,270,555**	**13,168,901**	**36,804,837**	**-175,317**	**8,105,955**	**35,413**	**-115,764,516**	**3,445,828**	**160,279**	**3,606,107**

The attached notes comprise an integral part of the annual financial statements. Note: The amounts of the comparative period (see note 8.2).

Statement of changes in equity for the Parent Company

STATEMENT OF CHANGES IN EQUITY						
	THE COMPANY					
amounts in €	**Share Capital**	**Share Premium**	**Reserves**	**Fixed Assets' Fair Value Reserves**	**Non Distributed Earnings**	**Total**
Equity balance as at 31 December 2014	**61,270,555**	**13,168,901**	**35,173,696**	**9,353,347**	**-99,009,264**	**19,957,235**
Net Results for the Period 01/01-31/12/2014	0	0	0	0	43,536,230	43,536,230
Other Comprehensive Income:						
Reserve from the revaluation of fixed assets	0	0	0	12,639,658	0	12,639,658
Actuarial (gains) / Losses	0	0	0	0	-240,476	-240,476
Income taxes related to the items of other comprehensive income	0	0	0	-3,286,311	62,524	-3,223,787
Other comprehensive income for the period after taxes	**0**	**0**	**0**	**9,353,347**	**-177,953**	**9,175,394**
Total comprehensive income for the period after taxes	**0**	**0**	**0**	**9,353,347**	**43,358,277**	**52,711,624**
Equity balance as at 31 December 2014	**61,270,555**	**13,168,901**	**35,173,696**	**9,353,347**	**-99,009,264**	**19,957,235**
Equity balance as at 31 December 2014	**61,270,555**	**13,168,901**	**35,173,696**	**9,353,347**	**-99,009,264**	**19,957,235**
Expenses due to share capital increase	0	0	0	0	-21,160	-21,160
Deferred taxes on expenses from share capital increase	0	0			-165,531	-165,531
Reserve due to share capital decrease	0		0			0
Transactions with the parent company	**0**	**0**	**0**	**0**	**-186,691**	**-186,691**
Net Results for the Period 01/01-31/12/2015	0	0	0	0	-4,395,816	-4,395,816
Other Comprehensive Income:						
Reserve due to the revaluation of fixed assets	0	0	0	-3,002,485	2,375,664	-626,821
Actuarial (gains) / Losses	0	0	0	0	-246,088	-246,088
Income taxes related to the items of other comprehensive income	0	0	0	491,531	84,242	575,772
Other comprehensive income for the period after taxes	**0**	**0**	**0**	**-2,510,954**	**2,213,817**	**-297,137**
Total comprehensive income for the period after taxes	**0**	**0**	**0**	**-2,510,954**	**-2,181,998**	**-4,692,952**
Equity balance as at 31 December 2015	**61,270,555**	**13,168,901**	**35,173,696**	**6,842,393**	**-101,377,953**	**15,077,592**

The attached notes comprise an integral part of the annual financial statements. Note: The amounts of the comparative period (see note 8.2).

5. Cash flow statement (indirect method)

CASH FLOWS	GROUP		COMPANY	
(amounts in €)	**01/01-31/12/2015**	**01/01-31/12/2014**	**01/01-31/12/2015**	**01/01-31/12/2014**
Earnings before tax (continued activities)	-10,350,179	47,847,877	-4,148,643	44,320,107
Adjustments for:				
Depreciation of Tangible and Intangible Assets	4,721,130	3,649,134	3,925,238	2,925,125
Amortization of grants	-1,276,131	-595,303	-1,276,131	-595,303
Impairment of participations	0	0	0	1,265
Impairment of receivables	2,040,465	1,133,554	2,040,465	1,068,057
Provisions	614,367	591,755	0	479,344
Provisions for staff indemnities	249,809	301,011	249,809	284,300
Income due to the utilization of prov. from previous years	-62,478	0	-62,478	
(Earnings)/ losses from sale of tangible assets	127,307	19,106	127,307	21,114
(Earnings)/ losses from fair value of investment property	2,390,000	0	0	0
(Earnings)/ losses from inventory destruction	6,285	224,912	6,285	224,912
Valuation of fixed assets	373,179	0	373,179	0
(Earnings)/ losses from sale of participations	0	8,217	0	8,217
(Earnings)/ losses from exclusion of subsidiary	6,962,662	0	0	0
Results (income, expenses, earnings and losses) of investment activity	106,891	171,860	-51,651	451,902
Other financial (income) / expenses	0	-42,000,000		-42,000,000
Credit interest and similar income	-127,402	-7,046,645	-41,224	-6,932,875
Debit interest and related expenses	8,344,384	13,003,083	6,445,149	10,360,162
(Earnings)/ losses from fair value of derivatives	0	-152,864	0	-152,864
Share of net (earnings) / losses consolidated with the equity method	-139,096	11,652	0	0
Non-realized (Earnings) / losses from foreign exchange differences	-43,695	0	-43,695	0
Plus/Less Adjustments for Working Capital changes or related to operating activities:				
(Increase) / decrease of biological and other inventory	-18,535,644	-9,336,404	-18,497,667	-9,411,212
(Increase) / decrease of receivables	-43,358,471	3,095,778	-3,351,805	1,677,327
(Increase) / decrease of other current assets	-5,454,906	2,846,194	-5,283,856	1,149,625
Increase / (decrease) of Liabilities (excl. banks)	49,454,523	-929,506	9,003,503	762,592
Increase / (decrease) of Liabilities (excl. banks) due to consolidation of new company				
Less:				
Interest paid	-4,712,132	-2,371,643	-2,812,897	-657,904
Taxes paid	-825,201	-2,111,396	-34,519	0
Net cash flows from operating activities (a)	**-9,494,331**	**8,360,373**	**-13,433,630**	**3,983,892**
Investing activities				
Purchases of tangible and intangible assets	-1,863,125	-1,694,536	-1,729,776	-1,609,482
Receipts from sales of tangible and intangible assets	18,513	38,316	18,513	25,291
Purchase of financial assets available for sale	0	-2,423	0	-2,423
Purchase of financial assets at fair value through results	0	0	0	-1,265
Investments in subsidiaries	0	0	-279,004	-78,400
Interest received	127,402	134,446	41,224	93,545
Collection of Grants	459,519	335,769	459,519	335,769
Total inflows/(outflows) from investing activities (b)	**-1,257,691**	**-1,188,428**	**-1,489,524**	**-1,236,965**
Financing activities				
Issuance of common shares of subsidiary	48,710	0	0	0
Expenses due to share capital increase	-21,260	-80,400	-21,260	-80,400
Loans collected	9,971,287	16,532,059	8,134,537	4,351,550
Loans paid	-7,478,459	-14,785,160	-700,000	-1,884,562
Payments of liabilities from finance leases (installments)	-7,792	-14,697	0	0
Total inflows/(outflows) from financing activities (c)	**2,512,486**	**1,651,802**	**7,413,277**	**2,386,588**
Net (decrease)/increase in cash and cash equivalents (a)+(b)+ (c)	**-8,239,535**	**8,823,747**	**-7,509,877**	**5,133,515**
Cash and cash equivalents at the beginning of the period	18,727,765	9,904,020	13,327,180	8,193,666
Less: Cash position of subsidiary consolidated with the equity method	-3,972,342	0	0	0
Foreign exchange differences in cash and cash equivalents	0	0	0	0
Cash and cash equivalents at the end of the period	**6,515,888**	**18,727,767**	**5,817,303**	**13,327,181**

The attached notes comprise an integral part of the annual financial statements. Note: The amounts of the comparative period (see note 8.2).

6. Segment reporting

A business segment is defined as a group of assets and activities that provide products and services, which is subject to different risks and returns to other business segments. A geographical segment is defined as a geographical area in which products and services are provided, which is subject to different risks and returns to other geographical segments.

Primary information segment – business segments

As of 31 December 2015 the Group's activities are distinguished in the following business segments:

(1) Aquaculture Segment – Production & distribution of fry and fish

(2) Trade Segment of fish, fry and other inventories

(3) Production Sale Segment of fish food

(4) Other services segment

The results of the Group for the period from 1 January to 31 December 2015 as well as for the financial year 2014 are analyzed as follows:

It is noted that the account "Effect from measurement of biological assets" in the Statement of Total Comprehensive Income, which is presented for the first time, results from the deduction of the amount "Profit or losses from the change in fair value of biological assets" from the sales of biological assets during the respective period.

The analysis of the annual results according to the business segments are as follows:

Primary information segment							
Results per segment on 31/12/2015	**Aquaculture**	**Trade**	**Fish Food**	**Other Services**	**Total**	**Discontinued Operations**	**Total**
Sales	112,921,928	26,986,605	6,515,177	2,267,078	**148,690,788**	**0**	148,690,788
Sales to other segments	0	0	0	0	**0**	**0**	0
Net sales	**112,921,928**	**26,986,605**	**6,515,177**	**2,267,078**	148,690,788	**0**	**148,690,788**
Operating profit							
Effect from change in fair value of biological assets	17,595,382	0	0	0	**17,595,382**	0	17,595,382
Cost of materials/inventories	-77,682,102	-25,651,351	-2,231,887	-1,093,040	**-106,658,380**	0	-106,658,380
Employee benefits	-14,658,742	-14,694	-955,196	-769,614	**-16,398,245**	0	-16,398,245
Depreciation of tangible and intangible assets and impairment of non-financial assets	-3,601,512	0	-780,543	-15,349	**-4,397,404**	0	-4,397,404
Other expenses	-26,958,767	0	-2,169,277	-590,454	**-29,718,499**	0	-29,718,499
Operating result of segment	**7,616,188**	**1,320,560**	**378,274**	**-201,379**	**9,113,643**	**0**	**9,113,643**
Other income/expenses	-1,926,382	0			**-1,926,382**	0	-1,926,382
Other financial results							
Financial income	213,562	0	-86,160	0	**127,402**	**0**	127,402
Financial expenses	-6,447,829	0	-1,896,555	0	**-8,344,384**	**0**	-8,344,384
Results from investment activities	-7,069,553	0	0	0	**-7,069,553**	**0**	-7,069,553
Earnings / (Losses) from revaluation of property	-2,390,000	0	0	0	**-2,390,000**	**0**	-2,390,000
Losses from related companies	139,096	0	0	0	**139,096**	**0**	139,096
Impairment of investment property	0	0	0	0	**0**	**0**	0
Earnings before taxes	**-9,864,918**	**1,320,560**	**-1,604,441**	**-201,379**	**-10,350,179**	**0**	**-10,350,179**
Income tax/deferred tax	244,796	0	-1,207,496	-194,208	-1,156,909	0	-1,156,909
Earnings for the period	**-9,620,122**	**1,320,560**	**-2,811,938**	**-395,588**	**-11,507,087**	**0**	**-11,507,087**
Earnings/(losses) after tax from discontinued operations					0		0
Earnings for the period	**-9,620,122**	**1,320,560**	**-2,811,938**	**-395,588**	**-11,507,087**	**0**	**-11,507,087**

Assets and liabilities on 31/12/2015	Aquaculture	Trade	Fish Food	Other Services	Total	Discontinued Operations	Total
Segment assets	22,478,785	5,372,084	0	451,295	28,302,164	0	28,302,164
Investments in subsidiaries	0	0	0	0	0	0	0
Investment portfolio & other financial assets valued at fair value through the results	0	0	0	0	0	0	0
Non-allocated assets	142,033,293	33,943,773	0	2,851,532	178,828,599	0	178,828,599
Total assets	**164,512,078**	**39,315,857**	**0**	**3,302,828**	**207,130,764**	**0**	**207,130,764**
Liabilities	161,647,955	38,631,376	0	3,245,326	203,524,657	0	203,524,657
Non-allocated liabilities	0	0	0	0	0	0	0
Total liabilities	**161,647,955**	**38,631,376**	**0**	**3,245,326**	**203,524,657**	**0**	**203,524,657**
Capital expenditure on 31/12/2015							
On tangible fixed assets	1,694,536	0	0		1,694,536	0	1,694,536
On intangible assets	4,955	0	0	0	4,955	0	4,955
On other investments	0	0	0	0	0	0	0
On investment property	0	0	0	0	0	0	0
	1,699,491	**0**	**0**	**0**	**1,699,491**	**0**	**1,699,491**
Depreciation of tangible/intangible assets	**3,601,512**	**0**	**780,543**	**15,349**	**4,397,404**	**0**	**4,397,404**

Primary information segment							
Results per segment on 31/12/2014	**Aquaculture**	**Trade**	**Fish Food**	**Other Services**	**Total**	**Discontinued Operations**	**Total**
Sales	101,509,137	17,986,602	16,147,003	27,749	**135,670,491**	**0**	135,670,491
Sales to other segments	0	0	0	0	**0**	**0**	0
Net sales	**101,509,137**	**17,986,602**	**16,147,003**	**27,749**	**135,670,491**	**0**	**135,670,491**
Operating profit							
Effect from change in fair value of biological assets	9,042,550	0	0	0	**9,042,550**	0	9,042,550
Cost of materials/inventories	-63,264,946	-15,432,679	-4,801,848	0	**-83,499,473**	0	-83,499,473
Employee benefits	-13,721,348	-748,523	-875,438	0	**-15,345,309**	0	-15,345,309
Depreciation of tangible and intangible assets and impairment of non-financial assets	-2,564,939	-12,805	-711,205	0	**-3,288,949**	0	-3,288,949
Other expenses	-20,639,022	-1,031,115	-3,068,096	-171,970	**-24,910,203**	0	-24,910,203
Operating result of segment	**10,361,432**	**761,480**	**6,690,416**	**-144,221**	**17,669,107**	**0**	**17,669,107**
Other income/expenses	-440,413	0			**-440,413**	0	-440,413
Other financial results							
Financial income	474,665	0	-114,248	2	**360,419**	**0**	360,419
Financial expenses	-11,709,702	0	-2,640,876	0	**-14,350,578**	**0**	-14,350,578
Results from investment activities	-170,595	0	0	0	**-170,595**	**0**	-170,595
Earnings / (Losses) from revaluation of property	-4,915,890	0	0	0	**-4,915,890**	**0**	-4,915,890
Losses from related companies	-11,652	0	0	0	**-11,652**	**0**	-11,652
Impairment of investment property	7,450,800	0	0	0	**7,450,800**	**0**	7,450,800
Earnings before taxes	**1,038,645**	**761,480**	**3,935,292**	**-144,219**	**5,591,198**	**0**	**5,591,198**
Income tax/deferred tax	1,206,975	0	-527,030	0	679,945	0	679,945
Earnings for the period	**2,245,620**	**761,480**	**3,408,262**	**-144,219**	**6,271,143**	**0**	**6,271,143**
Earnings/(losses) after tax from discontinued operations					0		0
Earnings for the period	**2,245,620**	**761,480**	**3,408,262**	**-144,219**	**6,271,143**	**0**	**6,271,143**

Assets and liabilities on 31/12/2014	Aquaculture	Trade	Fish Food	Other Services	Total	Discontinued Operations	Total
Segment assets	24,770,548	6,860,994	12,243,786	8,777	43,884,105	0	43,884,105
Investments in subsidiaries	0	0	0	0	0	0	0
Investment portfolio & other financial assets valued at fair value through the results	0	0	0	0	0	0	0
Non-allocated assets	92,682,832	28,305,829	67,052,320	37,616	188,078,597	0	188,078,597
Total assets	**117,453,380**	**35,166,823**	**79,296,106**	**46,393**	**231,962,702**	**0**	**231,962,702**
Liabilities	118,190,324	31,455,941	59,321,506	41,802	209,009,573	0	209,009,573
Non-allocated liabilities	0	0	0	0	0	0	0
Total liabilities	**118,190,324**	**31,455,941**	**59,321,506**	**41,802**	**209,009,573**	**0**	**209,009,573**
Capital expenditure on 31/12/2014							
On tangible fixed assets	1,688,365	0	6,171		1,694,536	0	1,694,536
On intangible assets	1,105	0	0	0	1,105	0	1,105
On other investments	0	0	0	0	0	0	0
On investment property	0	0	0	0	0	0	0
	1,689,470	**0**	**6,171**	**0**	**1,695,641**	**0**	**1,695,641**
Depreciation of tangible/intangible assets	**2,564,939**	**0**	**711,205**	**12,805**	**3,288,949**	**0**	**3,288,949**

Secondary information segment – geographic segments

The Group's domicile is Greece. The Company's geographic activity includes Greece, countries of Europe, America, Canada and other countries.

The Group's and Company's sales per geographic segment for the period from 1 January to 31 December 2015 and for financial year 2014 are analyzed as follows:

			GROUP			
01/01-31/12/2015	**FISH FRY**	**FISH**	**TRADE**	**FISH FOOD**	**OTHER**	**TOTAL**
EUROZONE	159,800	74,143,608	13,807,110	0	2,266,440	90,376,957
GREECE	10,074,878	18,187,069	1,551,529	17,131,561	638	46,945,675
OTHER COUNTRIES	60,756	10,267,998	1,039,282	120	0	11,368,156
TOTAL	**10,295,434**	**102,598,675**	**16,397,921**	**17,131,681**	**2,267,078**	**148,690,788**

			GROUP			
01/01-31/12/2014	**FISH FRY**	**FISH**	**TRADE**	**FISH FOOD**	**OTHER**	**TOTAL**
EUROZONE	8,600	74,657,094	9,735,796	0	2,305,047	86,706,537
GREECE	5,415,092	12,651,763	1,674,323	19,544,108	140,753	39,426,039
OTHER COUNTRIES	33,840	8,742,748	761,327	0	0	9,537,915
TOTAL	**5,457,532**	**96,051,605**	**12,171,446**	**19,544,108**	**2,445,800**	**135,670,491**

			COMPANY			
01/01-31/12/2015	**FISH FRY**	**FISH**	**TRADE**	**FISH FOOD**	**OTHER**	**TOTAL**
EUROZONE	159,800	74,143,608	13,807,110	0	0	88,110,518
GREECE	10,050,132	18,252,289	1,551,529	11,042,876	21,085	40,917,910
OTHER COUNTRIES	60,756	10,267,998	1,039,282	120	0	11,368,156
TOTAL	**10,270,688**	**102,663,895**	**16,397,921**	**11,042,996**	**21,085**	**140,396,584**

			COMPANY			
01/01-31/12/2014	**FISH FRY**	**FISH**	**TRADE**	**FISH FOOD**	**OTHER**	**TOTAL**
EUROZONE	0	60,445,618	5,950,940	0	0	66,396,557
GREECE	5,218,459	9,967,413	1,092,371	1,639,934	5,614	17,923,792
OTHER COUNTRIES	33,840	6,558,567	430,940	0	0	7,023,348
TOTAL	**5,252,299**	**76,971,598**	**7,474,251**	**1,639,934**	**5,614**	**91,343,697**

The strong export orientation of the Group's main economic activity (sales of fish) is demonstrated by the percentage rate of 82% of sales during the current year and of 87% in the previous year, of which 88% is directed to European Union countries for the year 2015 versus 90% for the year 2014, and 11% is directed to third countries for the year 2015 versus 10% for the year 2014.

Out of the aggregate sales, 68% were exports in 2015 versus 70% in 2014. This is considered as one of the fundamental advantages of the Group in this critical for the Greek economy period.

7. General Information

The parent Company "SELONDA AQUACULTURE A.E.G.E." was founded in 1990 with the legal form of a public limited Company (société anonyme), under the name "SELONDA AQUACULTURES SOCIETE ANONYME OF AGRICULTURAL OPERATIONS (Gov. Gazette 4511/31.12.90). It resulted from the merger of "SELONDA

Aquacultures Ltd" and "SELONDA Aquaculture Ltd" and the simultaneous conversion of both to public limited companies. The Company is based in the Municipality of Athens, at 30 Navarchou Nikodimou Street, and its duration has initially been set to 50 years. Its website is **www.selonda.com** and it is listed on the Athens Exchange (Middle and small capitalization category). The present financial statements were approved by the Board of Directors on 31.03.2016.

The Company's Management and administrative services are located at the Athens offices in Plaka, 30 Navarchou Nikodimou Street.

The hatching facilities of the Group are located at the Managouli area in the prefecture of Fokida (former RIOPESCA AEBE), 520 klm. away from Athens, at the Lorida Sagiadas area in the prefecture of Thesprotia (former TRITON A.E.I.), at the Psachna area in the prefecture of Evia, at Larymna in Fthiotida (former INTERFISH S.A.) and in the Palaioloutros area in Lesvos (former INTERFISH S.A.).

The sea fish-farming facilities are located at Selonda bay, Petros island, Ovrios Island, Selana Bay, Kripiza Pal. Epidavros (prefecture of Corinth), Vourlias bay, Plateia island, Agios Nikolaos, Trikeri (prefecture of Argolis), Ortholithi, Fouski and Kalamaki sites (prefecture of Arcadia), Kouramos, Sagiadas and Pagania bays (prefecture of Thesprotia), Astakos in Aitoloakarnania, the Echinades islands (prefecture of Kefallinia), Faradonisia, Katsouni spot, Kefala and Flaska, Leros and Kalymnos islands (Dodecanese prefecture), the Agrilias, Palaioloutros and Skalochori sites (Lesvos prefecture), at Larymna (Fthiotida prefecture), at Fidonisi, Porto Boufalos and Prasina spot (Evia prefecture).

The infrastructure includes packaging and standardization unit at Nea Epidavro Argolidas, Kranidi Argolidis and at Sagiada Thesprotias and Larymna Fthiotidas. Also, the distribution in Greece and Abroad is made through the logistics centre in Aspropyrgos.

The parent Company "SELONDA AQUACULTURE A.E.G.E." with the distinctive title "SELONDA SA" with activities consisting of production-farming and trade of Mediterranean aquaculture products (fry, fish), has the following subsidiaries and affiliated companies:

Subsidiaries:

AQUAVEST INVESTMENTS AQUACULTURES AND PROPERTY MANAGEMENT PUBLIC LIMITED COMPANY, with a direct participation of 100%. AQUAVEST was founded in 1989. Its basic objective is to provide financial services and implement investments in aquaculture companies.

AQUANET S.A., with a direct participation of 90.38% and an indirect participation of 4.56%. The company was founded in 1999. The activity of the company today is its participation in other companies of the sector or the establishment of joint-ventures and the studies for the development of research in aquaculture.

POLEMARCHA EPIDAVROS S.A., with a direct and indirect participation of 100%. The company was founded in 1986. Its objective is to manage real estate and tourist real estate.

DIVING PARKS S.A., with a direct participation of 90.94%. The company was founded in 2005, with the objective of tourist exploitation of diving parks in Greece.

VILLA PRESIE SA, with a direct participation of 100%. The Company was founded in 1990 and its aim is the establishment and acquisition exploitation in Greece and abroad of hotels, motels, bungalows, camping, rooms to let and villas on self-owned or not buildings as described in its letter of association.

INTERNATIONAL AQUA TECH LTD, with a direct participation of 89.34%. The Company was founded in 1992 and is based in England-Whales, while it is a company that undertakes the design, construction – operation and management of water systems.

AREAS OF ORGANIZED DEVELOPMENT OF AQUACULTURE (POAY) ARGOLIDA – ARKADIA SA, with direct participation percentage of 70.36%. The Company was established in 2015 with its domicile in the community of Koilada, Municipality of Ermionida – Argolida. The main objective of the Company is the development and management of aquaculture activities in the off-shore zone and the management of sea resources.

AREAS OF ORGANIZED DEVELOPMENT OF AQUACULTURE (POAY) – KORINTHIA SA, with direct participation percentage of 82.10%. The Company was established in 2015 with its domicile in the community of Sofiko, Municipality of Solygeia – Korinthia. The main objective of the Company is the development and management of aquaculture activities in the off-shore zone and the management of sea resources.

Within the previous year, the subsidiary company SELONDA INTERNATIONAL LTD was liquidated.

Associate Companies:

PERSEUS PRODUCTS OF SPECIAL HATCHING A.B.E.E, with a direct participation of 41.34%. The Company was founded in 1968 with the main objective of producing and distributing any kind of animal food, bird food, fish food and pet food, as well as the trade of such and the exploitation of fish farms. The particular company during the previous fiscal year of 2014 and until 24 November 2015 was treated as subsidiary company in accounting terms, see analysis in note 12.

JOINT VENTURE OF SOUTH EVIA I, with a direct participation of 95.00%. The Joint venture was established in 2005, aiming at the exploitation and management of a fish hatching unit.

MARMARI JOINT VENTURES, with an indirect participation of 30%. The Joint venture was founded in 2011, aiming at the exploitation and management of a fish hatching unit. The particular company is under a liquidation process.

BLUE FIN TUNA HELLAS SA with direct participation percentage of 25.00%. The Company was established in 2003 with the business objective of tuna fish collection from the sea and the hatching – sale of tuna fish.

ASTRAIA AEBE with direct participation percentage of 35.00%. The Company was established in year 2005 with the business objective of production – distribution and trading (import – export) of fish food, animal food and other related products. The company is currently inactive.

8. Basis for the Preparation of the Financial Statements

8.1 Statement of Compliance

The financial statements (of Group and Company) have been compiled based on the historic cost principle, the going concern principle taking into account the liquidity risk as it is described in the BoD's report and they are according to the International Financial Reporting Standards (IFRS) as they have been issued by the International Accounting Standards Board (IASB), as well as according to their interpretations as they have been issued by the Standards Interpretation Committee (I.F.R.I.C.) of IASB and have been adopted by the European Union until 31/12/2015.

The compilation of the financial statements according to the International Financial Reporting Standards (IFRS) requires the application of accounting estimates and the utilization of the management's judgment during the implementation of the accounting principles by the Group. Important assumptions made from the Management for the application of the accounting methods of the Group have been noted whenever it is allowed.

The attached financial statements of the Company were approved by its Board of Directors in 31 March 2016.

8.1.1 New Standards, Interpretations, Revisions and Amendments to existing Standards which are currently in effect and have been adopted by the European Union

The following Amendments and Interpretations of IFRS were issued from the International Accounting Standards Board (IASB), have been adopted by the European Union and their application in mandatory from 01/01/2015 or after that date.

- **Annual Improvements Cycle 2011-2013 (effective for annual accounting periods beginning on or after 01/01/2015)**

IASB proceeded in December of 2013 with the issuance of the "Annual Improvements of International Financial Reporting Standards, Cycle 2011-2013", which consist of a series of adjustments in 4 Standards and is part of the program concerning the annual improvement of standards. The amendments are applied for annual accounting periods beginning on or after July 1st, 2014, although the economic entities are eligible to adopt and apply them earlier. The issues included in this cycle are the following: **IFRS 1**: The definition of existing IFRS, **IFRS 3**: Exceptions concerning joint ventures, **IFRS 13**: Application field of paragraph 52 (portfolio exception), and **IAS 40**: Clarification of the interdependence of IFRS 3 Mergers of Companies and IAS 40 Investments in property at the classification of properties as investments in properties or as self-utilized properties.

The amendments have no material effect on the consolidated financial statements.

- **Amendment in IAS 19 "Employee Benefits" (effective for annual accounting periods beginning on or after 01/07/2014)**

In November 2013, the IASB proceeded to the issuance of an amendment of limited scope of IAS 19 "Employee Benefits" with title Defined benefit plan: Employee Contributions (Amendments to IAS 19). The present amendment applies to contributions made by employees or third parties with respect to defined benefit plans. The purpose of this amendment is to reduce the complexity of the accounting treatment of those contributions that are independent of the employee's years of service, such as the contributions calculated as a fixed percentage of payroll. The amendments have no material effect on the consolidated financial statements.

- **Annual Improvements Cycle 2010-2012 (effective for annual accounting periods beginning on or after 01/07/2014)**

The IASB issued in December 2013 in the publication "Annual Improvements in the International Financial Reporting Standards period 2010-2012", which is consisted of a series of adjustments in 8 Standards and it is part of the scheme for the annual improvements in standards. The amendments are effective for annual periods beginning on or after July 1, 2014, although the economic entities are allowed to apply them earlier. The topics included in this cycle of changes are as follows: IFRS 2: Definition of vesting conditions, IFRS 3: Accounting treatment of potential consideration in business combinations, IFRS 8: Aggregation of operating segments, IFRS 8: Alignment of reportable segments' assets with the assets of the company, IFRS 13: Current assets and liabilities IAS 7: Interest paid that are capitalized, IAS 16 / IAS 38: Revaluation method- proportionate recast of accumulated depreciation and IAS 24: Key Executives.

The amendments have no material effect on the consolidated financial statements.

- **Amendment in IAS 27 "Equity Method of Separate Financial Statements" (effective for annual accounting periods beginning on or after 01/01/2016):**

In August 2014, the IASB issued a limited scope amendment to IAS 27 "equity method in the individual Financial Statements". By this amendment, a company has the option to measure its investments in subsidiaries, joint ventures and associates under the equity method in the separate financial statements, an option that up until the adoption of this amendment was not in effect. The Company and the Group will assess whether the amendments affect the consolidated financial statements although no material effect is expected.

- **Annual Improvements Cycle 2012-2014 (effective for annual accounting periods beginning on or after 01/01/2016)**

The IASB issued in September 2014 in the publication of "Annual Improvements in the International Financial Reporting Standards period 2012-2014", which is consisted of a series of adjustments in 4 Standards and it is part of the scheme for annual improvements in standards. The amendments are effective for annual periods beginning on or after January 1, 2016, although the economic entities are allowed to apply them earlier. The topics included in this cycle of changes are as follows: **IFRS 5**: Changes in the methods of sale, **IFRS 7**: Service Contracts and application of IFRS 7 requirements in the Interim Financial Statements, **IAS 19**: Discount rate, and **IAS 34**:

Information disclosure in the interim financial report. The amendments have no material effect on the consolidated financial statements.

- **Amendments in IAS 16 and IAS 41: «Agriculture: Bearer Plants» (effective for annual accounting periods beginning on or after 01/01/2016)**

In June 2014, the IASB issued amendments through which changes incur in the financial reporting of fruit plantations. With this modification, it was decided that the fruitful plantations used solely to increase production, should be accounted for in the same way as tangible assets (IAS 16). Therefore the amendments include the fruitful plantations within the scope of IAS 16 instead of IAS 41. The production developed in fruitful plantations remains within the scope of IAS 41. The amendments have no material effect on the consolidated financial statements.

- **Amendments in IFRS 11: "Accounting treatment of the acquisition of an interest in joint operation" (effective for annual accounting periods beginning on or after 01/01/2016)**

In May 2014, the IASB issued amendments to IFRS 11. These amendments added new guidance on the accounting treatment of the acquisition in a joint activity that constitutes an economic entity and specify the appropriate accounting treatment for such acquisitions.

The amendments have no material effect on the consolidated financial statements.

- **Amendments in IAS 1: «Disclosure Initiative» (effective for annual accounting periods beginning on or after 01/01/2016)**

In December 2014, the IASB issued amendments to IAS 1. These amendments intend to resolve issues regarding the existing presentation and disclosure requirements and ensure the ability to exercise judgment by the economic entities in the preparation of the Financial Statements. The Group will assess the effect of all the above on the Financial Statements. The above have not been adopted by the European Union.

- **Amendments in IAS 16 and IAS 38: «Clarifications with regard to Acceptable Methods of Depreciation and Amortization» (effective for annual accounting periods beginning on or after 01/01/2016)**

In May 2014, the IASB issued amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 establish the principles so as to be clarified the way in which depreciation is treated in the expected pattern of consumption of the future economic benefits embodied in the asset. The IASB has clarified that the utilization of the methods based on revenues for the calculation of an asset's depreciation is not appropriate, because the revenues generated by an activity that involves the use of an asset generally reflect factors other than the consumption of future economic benefits embodied in the asset. The Group will assess the effect of all the above on the Financial Statements.

8.1.2 New Standards, Interpretations, revisions and amendments of existing Standards which have not been set in effect or have not been approved by the European Union

The following new Standards and Revisions of Standards, as well as the following Interpretations for the existing Standards, have been published but are not currently in effect and have not been approved by the European Union. Specifically:

- **IFRS 14 «Regulatory Deferral Accounts» (effective for annual accounting periods beginning on or after 01/01/2016)**

In January 2014, IASB issued a new standard, IFRS 14. The objective of this intermediate standard is to enhance the financial reports' comparability of companies that have regulated activities. In many countries there are sectors that are subject to specific rules according to which government authorities regulate the supply and pricing of certain types of activities entities. The Group will review the effect of all the above on the Financial Statements, even though no effect is expected. The above have not been adopted by the European Union.

- **Amendments in IFRS 10 and IAS 28: «Sales or Contributions of Assets between an Investor and the Associate Company or the Joint Venture» (effective for annual accounting periods beginning on or after 01/01/2016)**

In September 2014, the IASB issued a limited purpose "Sales or Assets' contributions between an investor and the associate or joint venture" (Amendments to IFRS 10 and IAS 28). The amendment will be applied by the economic entities for future sales or contributions of assets that are conducted in the annual periods beginning on or after 01/01/2016. Earlier application is permitted, with the necessary disclosure of the respective early adoption in the Financial Statements. The Group will review the effect of all the above on the Financial Statements, even though no effect is expected. The above have not been adopted by the European Union.

- **Amendments in IFRS 10, IFRS 12 and IAS 28:« Investment Entities: Applying the exception from Consolidation» (effective for annual accounting periods beginning on or after 01/01/2016)**

In December 2014, the IASB issued amendments of limited objective to IFRS 10, IFRS 12 and IAS 28. These amendments introduce clarifications regarding the accounting requirements of investment entities, while they provide exemptions in specific cases, which will reduce the costs associated with the application of standards. The Group will review the effect of all the above on the Financial Statements, even though no effect is expected. The above have not been adopted by the European Union.

- **Amendments in IAS 12 Deferred Taxation "The recognition of the deferred tax asset for non-realized losses" (effective for annual accounting periods beginning on or after 01/01/2017)**

In January 2016, IASB proceeded with the issuance of a narrow-scope amendment to IAS 12. The aim of the said amendments was to clarify the accounting treatment of the deferred tax assets for the unrealized losses from securities measured at fair value. The Group will consider the effect of all the above on the Financial Statements, even though no effect is expected. The above have not been adopted by the European Union.

- **IFRS 15 «Revenues from Contracts with Customers» (effective for annual accounting periods beginning on or after 01/01/2017)**

In May 2014, the IASB issued a new standard, IFRS 15. This standard is fully harmonized with the requirements for the recognition of revenue in accordance with IFRS and American accounting principles (US GAAP). The new standard is been formed to replace IAS 18 Revenue, IAS 11 Construction Contracts and some interpretations that are related to revenues. The Group will consider the effect of all the above on the Financial Statements. The above have not been adopted by the European Union.

- **IFRS 9 «Financial Instruments» (effective for annual accounting periods beginning on or after 01/01/2018)**

In July 2014, the IASB released the final publication of IFRS 9. The improvements brought by the new standard concern the existence of a logical model for the classification and measurement, a unified forward looking model for expected losses due to impairment and also an essentially revised approach for hedging accounting. The Group will review the effect of all the above on the Financial Statements, even though no effect is expected. The above have not been adopted by the European Union.

- **IFRS 16 "Leases" (effective for annual accounting periods beginning on or after 01/01/2019)**

In January 2016, IASB released the new Standard, IFRS 16. The aim of the project by IASB was to develop a new Standard for leases setting the principles applied by both parties in a leasing agreement – meaning the customer (the lessee) and the supplier (the lessor) – for the provision of information for the leases in a manner which accurately and reliably depicts such transactions. For the fulfillment of this objective, the lessee must recognize the assets and liabilities emanating from the leasing. The Group will review the effect of all the above on the Financial Statements. The above have not been adopted by the European Union.

8.2 Restatement of accounts of financial statements of previous fiscal year

The Company following an agreement with the credit institutions during the fiscal year 2014, proceeded with the restructuring of its entire bank debt, which was approved from the Extraordinary General Meeting of shareholders (11/9/2014). The extraordinary General Meeting approved the share capital increase of the Company via the capitalization of the bank debt obligations and the restructuring of the remaining liabilities towards banks. The basic elements of the decisions of the General Meeting were the following:

1. Decrease of the Company's share capital via the reduction of the nominal value of each existing common registered share.
2. Increase of the Company's share capital via the capitalization of part of the bank debt obligations.
3. Issuance of bond loans up to a total nominal value of one hundred and ten million Euro (€ 110,000,000.00).

On 29/12/2014, it was approved the increase by € 50.4 million via the issuance of 168 million new shares. The Company's share capital amounts to € 61,270,554 (204,235,180 shares with nominal value of 0.30 €).

The Company adopted and applied the interpretation (IFRIC) 19 "Extinguishing financial liabilities with equity instruments". According to the above interpretation, equity instruments issued for the partial or entire repayment of an economic obligation are treated as an exchange amount that was paid and must be valued at fair value on the payment date. However if this fair value cannot be reliably estimated, then the equity instruments are valued according to the fair value of the obligation they were used for. The difference between the book value of the economic obligation and the exchange amount that is paid (including the issued equity instruments) must be recognized in the results of the year and disclosed separately (IFRIC 19.5 – 7,9,11).

The Company applied the following on 31/12/2014:

c. During the initial recognition of the equity instruments, it valued the instruments taking into consideration the fair value of the already publicly traded shares on 29/12/2014 (share price close of € 0.05 on 29/12/2014, GEMI registration date) as well as the conversion price of the new shares (€ 0.30).

d. It recognized the difference between the book value of the part of the bank debt obligations that were repaid and the exchange amount that was paid in the results for the year.

The difference between the part of the financial obligation that was repaid (€ 50,400,000) and the value of the new shares (€ 42,949.200) was recognized in the results for the year. Specifically the amount that was recognized in the results for the year accounted for € 7,450,800.

The company proceeded with the weighting of equity instruments taking into consideration not the market capitalization of the shares but the conversion price of the new shares (this price was the basis for the capitalization of the bank debt obligations), considering the fact that the low transaction volume of the company's shares was not representative of the shares' fair value.

The company in the year 2015, cautiously assessing the prevailing conditions, decided to amend the adjusted price of the issued equity instruments which utilized on 29/12/2014 and to recognize the equity instruments which were issued for the repayment of its bank debt obligations solely based on the stock market price close of 29/12/2014 (stock market value on 29/12/2014 at € 0.05 per share, date of registration in GEMI), therefore strictly applying the requirements of interpretation 19.

The difference between the part of the economic obligation which was repaid (€ 50,400,000) and the value of the new shares (€ 8,400,000 or 168 million shares with a fair value of € 0.05 per share), was recognized in the results for the year 2014. Specifically, the amount which was recognized in the results for the year settled at € 42 million, thus increasing the results of year 2014 by € 34,549 thousand approximately.

The Company followed the particular accounting treatment in order to be aligned with the requirements of the interpretation 19.

The Company in the context of its restructuring plan with regard to its bank debt obligations proceeded with the issuance of bond loans with total nominal value of one hundred and eight million Euros (€ 108,000,000).

The management of the Company by reviewing the terms of the issuance of the new bond loans concluded that according to the requirements of IAS 39 there was a de-recognition (extinguishment) of the existing until 31/12/2014 bond loans and a recognition at the same time of new bank debt obligations.

Due to the above, the Company proceeded with the following steps:

5. De-recognition of the existing bank debt obligations,

6. Recognition of new bank debt obligations at fair value

7. Recognition of the difference between the existing bank debt obligations until 31/12/2014 and of the new bank debt obligations which are recognized at fair value in the results of the year 2014.

8. Recognition of the entire reorganization expenses in the results of the year 2014.

The fair value of the new bond loans for the Group was defined at the level of 111.7 million €. The interest rate for the calculation of the fair value of the new bond loans is lower than the one corresponding to similar bank debt obligations granted under the current economic conditions.

The effect from the restatement of the financial statements for the Group is depicted in the following tables:

Statement of Financial Position

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Long-term bank loans	119,958,611	111,771,785	-8,186,825
Deferred tax liabilities	8,890,442	10,894,387	2,003,945
Long-term liabilities	131,999,789	125,816,909	-6,182,880
Other short-term liabilities	4,306,756	4,786,100	479,344
Short-term liabilities	77,009,785	77,489,129	479,344
Non-distributed earnings	-110,849,904	-105,146,368	5,703,536
Equity	22,953,129	28,656,665	5,703,536
Equity & Liabilities	231,962,703	231,962,703	0

Statement of Total Comprehensive Income

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Third party fees and benefits 1.1 - 31.12.2014	-13,386,059	-13,865,403	-479,344
Financial Expenses 1.1 - 31.12.2014 (effect from recognition of debt at Fair Value)	-13,990,159	-5,803,334	8,186,825
Other Financial Expenses 1.1 - 31.12.2014 (application IFRIC 19)	7,450,800	42,000,000	34,549,200
Earnings before Taxes	5,591,196	47,847,877	42,256,681
Deferred income tax	1,614,629	-389,316	-2,003,945
Earnings after Taxes	6,271,141	46,523,877	40,252,736
Earnings before Taxes Financial and Investment Activities (EBITDA)	20,517,641	20,038,297	-479,344

Statement of Equity

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Balance as at 31/12/2014	22,953,129	28,656,665	5,703,536
Effect from recognition of debt at Fair Value	13,990,159	5,803,334	8,186,825
Effect from recognition of debt issuance expenses	13,386,059	13,865,403	-479,344
Effect from recognition of deferred on the above	-1,614,629	389,316	-2,003,945

The effect from the restatement of the financial statements for the Company is depicted in the following tables:

Statement of Financial Position

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Long-term bank loans	110,152,678	101,965,853	-8,186,825
Deferred tax liabilities	5,178,241	7,182,186	2,003,945
Long-term liabilities	118,254,694	112,071,813	-6,182,880
Other short-term liabilities	2,616,065	3,095,409	479,344
Short-term liabilities	70,566,537	71,045,881	479,344
Non-distributed earnings	-104,712,798	-99,009,262	5,703,536
Equity	14,253,702	19,957,238	5,703,536
Equity & Liabilities	203,074,932	203,074,932	0

Statement of Total Comprehensive Income

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Third party fees and benefits 1.1 - 31.12.2014	-11,269,841	-11,749,186	-479,344
Financial Expenses 1.1 - 31.12.2014 (effect from recognition of debt at Fair Value)	-11,461,248	-3,274,423	8,186,825
Other Financial Expenses 1.1 - 31.12.2014 (application IFRIC 19)	7,450,800	42,000,000	34,549,200
Earnings before Taxes	2,063,426	44,320,107	42,256,681
Deferred income tax	1,220,067	-783,878	-2,003,945
Earnings after Taxes	3,283,494	43,536,230	40,252,736
Earnings before Taxes Financial and Investment Activities (EBITDA)	12,775,293	12,295,948	-479,344

Statement of Equity

Fiscal Year 2014	As published	Adjusted	Effect due to IAS 8
Balance as at 31/12/2014	14,253,702	19,957,238	5,703,536
Effect from recognition of debt at Fair Value	11,461,248	3,274,423	8,186,825
Effect from recognition of debt issuance expenses	11,269,841	11,749,186	-479,344
Effect from recognition of deferred on the above	-1,220,067	783,878	-2,003,945

9. Significant Events

The significant events that took place during the current financial year 2015 are the following:

9.1. Completion of Share Capital Increase – Issuance of New Shares

The Company completed the procedure relating to the resolutions of the General Meeting on 11/09/2014 with regard to (a) the decrease of the Company's share capital via the reduction of the nominal value per share and (b) the inclusion of new shares of the Company due to the share capital increase implemented through the capitalization of bank debt obligations and the abolishment of preemptive rights on behalf of old shareholders, in accordance with the article 13, paragraph 10 of C.L. 2190/1920 in favor of the creditor banks.

Specifically:

- On 26/05/2015 the Hellenic Capital Market Committee approved the contents of the Information Prospectus for the listing on the Athens Exchange of the Company's shares issued due to the share capital increase via the capitalization of bank debt obligations.
- The Stock Markets Administrative Committee of the Athens Exchange, during its meeting on 27/05/2015, was informed about the reduction of the nominal value of the Company's shares and approved the listing of 168,000,000 new common registered shares.
- On 29/05/2015, the Company's shares were listed on the Athens Exchange with the new nominal value of € 0.30 per share, whereas the listing of the 168,000,000 new common registered shares of the Company commenced. The shares derived from the above share capital increase whereas the total number of common registered shares traded settled at 204,235,184.
- It is noted that (a) after the above reduction, the share capital of the Company settled at € 10,870,555.25 divided into 36,235,184 common registered shares with a nominal value of € 0.30 per share and (b) after the above increase, the share capital of the Company accounted for € 61,270,555.20 and was divided into 204,235,184 common registered shares with nominal value of € 0.30 per share.

9.2 Agreement for Restructuring of Debt among the sector company "DIAS AQUACULTURE ABEE", its creditors and the Company

On 30/04/2015, the Company cosigned, as third counterparty, an agreement for restructuring of debt (henceforth "Restructuring Agreement" or "Agreement") with the company DIAS AQUACULTURE SA (henceforth "DIAS") and the creditor banks of DIAS, namely the banks EFG Eurobank Ergasias, ALPHA BANK, NATIONAL BANK and PIRAEUS BANK (henceforth "Creditor Banks"), the company Eurobank Ergasias Financial Leases SA, the shareholder Linnaeus Capital Partners BV of DIAS and with the supplier BIOMAR HELLENIC SA of DIAS, according to the clauses of the pre-bankruptcy restructuring procedure of articles 99 of the Bankruptcy Code (henceforth "BC") (Law 3588/2007) and more specifically of article 106 b of BC in conjunction with the article 106h of the same legislation.

The Agreement provides for the transfer to the Company of the firm DIAS as contribution in kind, as specifically stipulated by the article 106h of the BC, and particularly the transfer of the total assets amounting to € 69 million approximately and of a part of the liabilities amounting to € 29.6 million which on group level amounts to € 48 million. It is noted that the above mentioned amounts were determined as of the date 31/01/2015. In this context, the above transfer includes the following:

a) The total assets of DIAS (tangible assets such as buildings which include packaging units, hatching stations and support buildings in the production units, land plots, machinery including among others packaging machinery, fish cages, nets, intangible assets such as software and operating licenses of the fish production units, interests in subsidiaries and associate companies: AQUACULTURE & FISH TRADING SOCIETE ANONYME (d.t. SPARFIS SA), KLEIDARAS IOANNIS – FISH PRODUCTION AND TRADING SOCIETE ANONYME and NIMOS SA TRADING AND INDUSTRIAL COMPANY, biological inventory, receivables against third parties, deposits, and other assets.

b) The part of the liabilities concerning part of the bank debt obligations, liabilities to other suppliers – creditors of DIAS, the entire liabilities to the Greek State and to the employees, as well as the entire liabilities of DIAS Group's subsidiaries.

c) The assumption of the pending litigation cases of DIAS, as these have been determined and recorded in the Agreement, the acquisition through transfer of the ownership of the administrative licenses, the trademarks, the names of spaces and in general of all industrial ownership rights of DIAS (the particular items are not depicted in the financial statements or the accounting balance of DIAS), as well as the assumption of the entire number of DIAS' personnel, approximately 370 individuals on group level and 270 individuals on company level.

It is noted that for the above (a) and (b) items, the finalized amounts of the relevant transfer will be determined taking into consideration the accounting balance of DIAS at the date of the approval decision by the Court on 7/10/2015 for the implementation of the Agreement.

The above transaction will be implemented with the share capital increase of Selonda by € 12.4 million via the waiving of preemptive rights by old shareholders in favor of DIAS and through the issuance of 41,261,980 common registered shares with a value of € 0.30 per share. Since the Agreement defines that 81.95% of the total liabilities of DIAS will not be transferred to the Company, the new shares will be undertaken by DIAS with the aim to fulfill obligations towards its creditors.

With regard to the accounting depiction of the transaction, provided that the Agreement is approved and ratified independently of the issuance of the above number of new common shares, the provisions set by the IFRS 3 will be applied. Specifically, any difference between the fair value of the net assets which are acquired and the fair value of the acquisition (meaning 41,261,980 shares multiplied with the stock market price of the shares at the implementation date of the Agreement) will be recognized either as goodwill on the assets or in the results for the year (negative goodwill).

According to the decision with no. 619/2015, the Hellenic Competition Commission approved the disclosed consolidation concerning the acquisition of the management control of DIAS ABEE by the company SELONDA AQUACULTURE AEGE, through the purchase of the entire assets and part of the liabilities of the former, in execution of the restructuring plan and agreement as of 30/04/2015 and according to the provisions of article 99 of the Bankruptcy Code (Law 3588/2007 as it is currently in effect).

With this decision, the Committee judged that the above consolidation, which concerns the aquaculture sector, does not create any serious doubts with regard to the competition conditions that must exist and prevail in the sub-sectors which the above corporate action refers to.

10. Significant accounting judgments, estimations and assumptions

The preparation of financial statements according to the International Financial Reporting Standards (IFRS) requires the use of judgment, estimations and assumptions by management, which affects the published assets and liabilities during the preparation date of the financial statements. They also affect the disclosures of contingent receivables and liabilities during the preparation date of the financial statements and the published amounts of income and expenses during the period. The real results may differ from the estimations. Estimations and judgments are based on past experience and on other factors, including expectations for future events that are considered reasonable under the existing conditions, while such are reviewed constantly by using all available information.

Judgment

The basic judgment applied by the Group’s management (apart from judgment linked to estimations presented below) and that have the most significant effect on amounts recognized in the financial statements, are mainly related to:

Categorization of investments

The management decides during the acquisition of an investment, if such will be categorized as held until maturity, held for trading purposes, valued at fair value through the results, or available for sale. For investments characterized as held until maturity, the management examines whether the criteria of IAS 39 are met and specifically whether the Group has the intention and ability to hold such until maturity. The categorization of investments valued at fair value through the results depends on the way with which the management monitors the performance of such investments. When not categorized as held for trading purposes but when there are reliable fair values available and changes in fair values are included in the profit or loss in managements’ accounts, then such are categorized as valued at fair value through the results. All other investments are categorized as available for sale.

Inventories

Inventories are valued at the lower price between the production cost and the net liquidation value. The cost includes all the expenses made in order for the inventories to reach their present position and situation. To estimate the net liquidation value, management takes into account the most reliable evidence that is available during the estimation. The cost is defined by utilizing the method of the monthly weighted average cost.

Biological Assets - Inventories

The Group's biological assets were valued at fair value according to IAS 41. The biological assets refer to the aquaculture products fry – fish that are underway in the production process in several development stages.

The agricultural activity is defined as the administration and management by a company of the biological transformation of biological assets for sale, to an agricultural product or to additional biological assets. Biological assets are defined as animals and plants under the management of a company, while the agricultural product consists of the harvesting of the product from the company's biological assets that is intended for sale, processing or consumption. The right to manage biological assets may emanate from ownership or another legal form.

A biological asset must be valued during initial recognition and during each balance sheet date at fair value minus the estimated cost at the sale place, apart from the case where fair value cannot be reliably estimated. The fair value is defined according to the current sales prices of inventories, namely according to the net liquidation value of inventories.

If there is an active market for a biological asset or agricultural production, the existing prices in such a market constitute the appropriate base for the definition of the asset's fair value. If a company has access to several active markets, it then uses the most relevant market. If a company has access to two active markets, then it will use the price in the market where the asset is expected to be used.

Following the initial recognition of biological assets, the 0company values such during each subsequent balance sheet date at fair value minus the estimated cost until their sale. Profit or loss that may arise during the initial recognition of a biological asset and its subsequent valuation (minus the estimated sales cost in both cases), are registered in the results of the period where such occur. Profit can arise also during the initial recognition of a biological asset. The biological assets are distinguished in sub-categories according to the maturity stage, in order for users of the financial statements to receive information on the timing of future cash flows the company expects from the exploitation of the biological resources.

The segregation of the biological assets in the Balance Sheet is performed according to the average weight of the fish inventories as well as according to the period when the fish acquires the minimum weight for trading purposes. As of 31/12/2015, the Group proceeded with a change in the categorization of biological assets, namely of the period which is taken into account for the determination of the valuation price, as well as to an amendment of the valuation method concerning the non-mature biological assets. The objective of the above amendments is the fair depiction of the biological assets, in a manner that is aligned with the trading reality of the sale transaction and facilitates the comparison of the particular information among similar companies within the sector.

More specifically, the categorization of the biological assets until 31/12/2014, according to the average weight of the fish inventories, was performed as following:

- Fish below 200 grams and fish fry for own utilization were categorized as non-current biological assets and
- Fish above 200 grams and fish fry for sale were categorized as current biological assets.

On 31/12/2015, the categorization of the biological assets according to the average weight of the fish inventories was performed as following:

- The part of fish with weight less than 340 grams that is expected to grow to 340 grams after 31/12/2016 and the fish fry for own utilization were categorized as non-current biological assets and
- The part of fish with weight less than 340 grams that is expected to grow to 340 grams before 31/12/2016, the fish with weight higher than 340 grams and the fish fry for sale were categorized as current biological assets.

The selection of the average weight at 340 grams as categorization criterion (instead of 200 grams which was the case until recently) was performed by the management with the objective to mainly collect fish from cages with expected weight higher than 340 grams.

The company with the objective to facilitate the comparison of information provided to the users of financial statements with the information of the sector's companies proceeded to the amendment of the determination of the fair value of mature biological assets as following:

- It determines the composition of the average weight of fish collected from the opening of fish cages according to categories of average weight, and
- It takes into account the average selling price of the first two weeks of January of the company's main market, whereas until 31/12/2014 it considered the average selling price of January 2015 (for the main market as well).

The Company also proceeded with the amendment of the determination model (income approach) of the fair value of the non-mature biological assets as following:

- It also determines the composition of the average weight of fish collected from the opening of fish cages according to categories of average weight,
- It takes into account the expected selling price during the period of opening (particular month) of fish cages, whereas until 31/12/2014 it considered the average selling price of January 2015 (main market), and
- It calculates the proportional expected profit before tax compared to the net profit after tax from the maturity phase of the biological assets.

The effect of the above amendments on the financial statements of the year 2015 is analyzed as following:

- If the previous valuation model was utilized for the non-mature biological assets below 340 grams and if the average price of January was used as valuation price, then the results of the Group would be higher by € 6,092 thousand approximately.
- If the new model was utilized and the average price of January (and not only of the first two weeks) was used as valuation price for the mature inventories with weight above 340 grams, then the biological assets at year end as well as the results of the Group would be higher by € 1,496 thousand approximately.

In synopsis, the above figures are presented in the following table:

Effect (in thous. €)	**Biological Assets**	**Profit before tax**	**Profit after taxes**	**EBITDA**
Previous Valuation Model of Non-Mature Biological Assets with the average selling price of January as valuation price	6,092	6,092	4,325	6,092
New Model: Amended Valuation Price of Mature Biological Assets with the average selling price of January as valuation price	1,496	1,496	1,063	1,496

It is noted that the average selling price of January is traditionally one of the lowest selling prices for the sector within a calendar year. Specifically, it is noted the average price of the first two weeks of January 2016, which was the basis for the valuation of the biological assets in their entirety, was by 21% lower than the actual average selling price of the year 2015, whereas the selling price for the year 2016 is expected to be more favorable compared to the year 2015.

Recoverability of receivables

The management's judgment as regards to the estimation for the recoverability of receivables constitutes a significant element for the evaluation of balances as doubtful or not and the calculation of possible impairment.

Whether a lease agreement with an external lessor is classified and operating or financial.

The evaluation of such agreements is not subject only to the evaluation of the type governing such, but mainly to the evaluation of the essence of the transaction. To evaluate the essence of the transaction, facts such as the lease period, the remaining fair value of the fixed assets and several other factors are taken into account.

Estimations and assumptions

Specific amounts that are included or affect the financial statements as well as the relevant disclosures, are estimated with the condition that we create assumptions concerning values or conditions that cannot be known with certainty during the preparation period of the financial statements. An accounting estimation is considered significant when it is significant for the image of the financial position of the company and the results and it requires the most difficult, subjective or complex judgment by management, often as a result of the need for estimations regarding the effect of assumptions that are uncertain. The Group evaluates such estimations on a constant basis, based on past results and experience, on meetings with specialized individuals, on trends and other methods that are considered reasonable under the circumstances, as well as the provisions regarding how such may change in the future.

- Income tax. The reliable measurement of income tax is based on estimations of both current and deferred tax. The Group and Company recognize liabilities for expected tax audit issues, based on their estimations on whether additional taxes will be imposed.
- Doubtful receivables. Provisions for doubtful receivables are based on the history of statistical data kept by the Company and Group, as regards to the risk that receivables will not be recovered or on events of special and very detailed reviews of our customers by the credit control department.
- Contingent events. The Group is involved in judicial claims and indemnities under the normal course of its activities. The management considers that any settlements would not significantly affect the financial position of the Group on 31 December 2015. However, the definition of contingent liabilities related to judicial claims and receivables is a complex process that includes judgments regarding the possible consequences and interpretations of laws and regulations.
- Useful life of depreciated assets. The company's management examines the useful lives of depreciated assets during each period. On 31 December 2015 the Company's management considers that the useful lives represent the expected utility of the assets. The net book values are analyzed in the notes on the financial statements. However the actual results may differ due to a technical gradual impairment, mainly as regards to software and IT equipment.

11. Summary of Accounting Policies

11.1 General

The significant accounting policies that have been used for the preparation of the consolidated financial statements are summarized below.

It is worth noting that, as mentioned in detail above, accounting estimations and assumptions are used during the preparation of the financial statements.

The consolidated financial statements are presented in euro, which is the operating currency of the Group, meaning the currency of the primary economic environment in which the Company and most of its subsidiaries activate.

Any differences presented between the amounts in the financial statements and the respective amounts in the notes are due to rounding.

11.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities in which the Group has the power to control their financial and business policies. Selonda S.A. considers to have and exercise control when it participates with a percentage over have the voting rights or when it owns less than 50% but has control of management and it exercises significant influence on the policy of the companies' purchases-expenses and income.

When defining whether Selonda S.A. exercises control on voting rights of another economic entity, the existence of possible voting rights that may be exercised or converted is also examined.

All the subsidiaries of the Group have 31 December 2015 as the closing date for the financial statements.

The consolidated financial statements of Selonda S.A. include the financial statements of the parent company as well as those of the economic entities controlled by the Group, with the full consolidation method.

Subsidiaries are consolidated with the full consolidation method from the date when the Group acquires control and cease to be consolidated from the date that control no longer exists.

Moreover, acquired subsidiaries are accounted for using the purchase method. This includes the adjustment to fair value of all recognizable assets and liabilities, including the contingent liabilities of the subsidiary, during the acquisition date, regardless of whether such have been included in the subsidiary's financial statements prior to its recognition. During initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at adjusted amounts, which are also used as the base for their subsequent calculation according to the group's accounting policies. Goodwill represents the excess acquisition cost over the fair value of the group's share on the recognizable assets of the group of the acquired subsidiary during acquisition. If the acquisition cost is less than the fair value of assets of the acquired subsidiary, then the difference is recognized directly in the results.

Minority (or non-controlling) interest presents the portion of profit or losses and of net assets that do not belong to the Group. If losses of a subsidiary that refer to non-controlling interest exceed the non-controlling interest in the subsidiary's equity, then the excess amount is allocated to shareholders of the parent, except for the amount for which the minority has an obligation and is capable to cover such losses.

The accounting policies of subsidiaries were amended where deemed necessary in order to render such consistent with the policies adopted by the Group.

Intercompany receivables and liabilities accounts as well as transactions income and expenses and unrealized profit or losses between the companies, are written-off.

(b) Associate Companies

Associates are those companies on which the Group has the ability to exercise significant influence, but which do not constitute subsidiaries or participations in joint ventures. Significant influence is considered the authority to participate in decisions that concern the issuer's financial and business policies, but not control on such policies.

Significant influence is usually present when Selonda S.A. owns a percentage between 20% and 50%of the voting rights of a company through ownership of shares or through another kind of agreement.

Investments in associates are initially recognized at cost, while for consolidation purposes the equity method is used. Goodwill is included in the book value (cost) of the investment and reviewed for impairment as part of the investment.

All subsequent changes to the participation percentage in the equity of the associate company are recognized at the book value of the group's investment. Changes that arise from the profit or losses that are created by the associate company are registered in the account "Results of Investment Activities" in the consolidated Income Statement of Selonda S.A. and therefore such affect the group's net results. During consolidation, changes that have directly been recognized in equity of the associate company and are related to a result, for example those that arise from the accounting treatment of the associate's investments available for sale, are recognized in the group's consolidated equity. Any changes that are recognized directly in equity and not related to results, for example dividend distributions or other transactions with shareholders of the associate, are registered against the book value of the participation. No effect on the net result or equity is recognized in the context of such transaction. However, when the group's share in the losses of an associate is equal or exceeds the book value of the investment, including also any other non-secured receivables, then the group does not recognize further losses, unless if the investor has been burdened with commitments or has proceeded with payments on behalf of the associate.

The accounting policies of associate companies were amended where deemed necessary, in order to ensure consistency with the policies adopted by the group.

Foreign currency conversion

The consolidated financial statements of Selonda S.A. are presented in euro (€), which is the operating currency of the parent company also.

Each Group company defines its operating currency and the items included in its financial statements. In the individual financial statements of consolidated companies, the transactions in foreign currency are converted to the operating currency of each entity using the exchange rates in effect during the transaction dates.

Transactions in foreign currency are converted to euro using exchange rates in effect during the transaction dates. Foreign exchange profit and losses that arise from such transaction and from the conversion of account balances with exchange rates at the end of the period, are recognized in the results in the account "other income" or "other expenses" respectively, except for the part of profit or loss of the hedged item that is established as an effective hedge and is recognized directly in equity through the statement of changes in equity.

Changes in fair value of securities expressed in foreign currency that are classified as available for sale, are distinguished to changes from foreign exchange differences that arise from the change in the depreciated cost of the security and to other changes in the book value of the securities. Differences from the conversion that are related to changes of the depreciated cost are recognized in the results, while other changes in book value are recognized in equity.

Differences from the conversion of non-monetary assets and liabilities are registered as part of the fair value profit or loss. Differences from the conversion of non-monetary assets and liabilities such as assets at fair value through the results, are recognized in the results as part of the profit or loss from fair value. Differences from the conversion of non-monetary assets such as assets classified as available for sale, are included in the equity reserve that concerns financial assets available for sale. In the consolidated financial statements, all individual financial statements of subsidiaries and jointly controlled economic entities, which are initially presented in a currency other than the group's operating currency, have been converted to euro.

Assets and liabilities have been converted to euro using the closing exchange rates in effect during the balance sheet date.

Income and expenses have been converted to the group's presentation currency using average exchange rates during the reference period, except for the case where there is significant volatility in exchange rates and therefore income and expenses are converted with the exchange rate during the transaction dates.

Any differences that arise from this process have been transferred to the balance sheet conversion reserve in equity.

Goodwill and adjustments to fair value that arise during the acquisition of a foreign company, are considered assets and liabilities of the foreign company and converted to euro with the closing exchange rate.

During consolidation, foreign exchange differences that arise from the conversion of the net investment in foreign operations, as well as from loans and other monetary instruments that have been defined as hedges of a net investment in a foreign operation, are recognized directly in equity through the statement of changes in equity.

When a foreign operation has been partially transferred or sold, the foreign exchange differences that had been registered in equity, are recognized in the results during the period of the transfer or sale as part of the profit or loss from the sale.

Segment reporting

A business segment is defined as a group of assets and activities that provide products and services, which is subject to different risks and returns to other business segments. A geographical segment is defined as a geographical area in which products and services are provided, which is subject to different risks and returns to other geographical segments.

Transactions and balances

Transactions in foreign currency are converted to the operating currency using spot exchange rates during the transaction dates. Profit and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets expressed in foreign currency with the effective exchange rates during the balance sheet date, are registered in the results, except for the cases that concern foreign exchange differences that arise from the valuation of financial derivatives used as hedging instruments of cash flows. Foreign exchange differences from non-monetary assets valued at fair value, are considered as part of the fair value and are thus registered as are the fair value differences.

Tangible assets

Tangible assets are reported in the financial statements at acquisition cost or imputed cost as determined by the fair values at the transition dates, less cumulated depreciation and any impairment suffered by the assets. Cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is recorded as an addition to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only to the extent that this expenditure increases the future economic benefits that are expected to arise for the Group and their cost can be accurately measured. Maintenance and repairs costs are recorded as expense in the Statement of Total Comprehensive Income when such occur, as well as cost of daily maintenance.

Land is not depreciated. The depreciation of other tangible assets is calculated using the straight line method over their entire economic lives, which is as follows:

Buildings	20 - 40 years
Mechanical equipment	5- 12 years
Vehicles	3 – 5 years
Other equipment	3 - 5 years

The residual values and useful economic lives of fixed assets are subject to reassessment at each balance sheet (Statement of Financial Position) date.

When the carrying value of fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the Statement of Total Comprehensive Income.

Upon sale of the fixed assets, any difference between the proceeds and the carrying value is booked as profit or loss in the Statement of Total Comprehensive Income.

Financial expenses that refer to the construction of assets, are capitalized for the time period required until the completion of the construction. All other financial expenses are recognized in the period's results.

Intangible assets

Software

Software licenses are valued at acquisition cost minus amortization. Amortization is calculated according to the straight line method during the useful life of the assets, which ranges from 3 to 5 years.

Expenses required for the development and maintenance of software, are recognized as expenses when such are realized.

Impairment of assets

Assets that are depreciated and subject to an impairment review when there are indications that their carrying value may not be recoverable. The recoverable value is the greater of the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or Cash Flow Generating Unit) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

Financial instruments

Financial instrument is any contract that creates a financial asset to one enterprise and a financial liability or equity instrument to another.

The financial instruments of the Group are classified at the time of acquisition of the investment in the following categories according to the substance of the contract and the purpose for which they were purchased.

i) Financial instruments valued at fair value through the income statement

These comprise assets that satisfy any of the following conditions:

- Financial assets that are held for trading purposes (including derivatives, except those that are designated and effective hedging instruments, those that are acquired or created for the purpose of sale or repurchase and, finally, those that are part of a portfolio of designated financial instruments).

- Upon initial recognition it is designated by the company as an instrument valued at fair value, with any changes recognized through the Income Statement, with the condition that the criteria set by the amendment of IAS 39 "Fair Value Option", are met.

ii) Loans and Receivables

They include non-derivative financial assets with fixed or predefined payments that are not traded in active markets. The following are not included in this category (loans and receivables):

a) receivables from prepayments for purchase of goods or services,

b) receivables relating to tax transactions, which have been legislatively imposed by the state,

c) any receivable not covered by a contract which gives the company the right to receive cash or other financial fixed assets.

Loans and receivables are included in current assets, except those with a maturity date that is further than 12 months away from the balance sheet date. The latter are included in the non-current assets.

iii) Investments held to maturity

These include non-derivative financial assets with fixed or defined payments and specific maturity and which the Group is willing and able to hold until their maturity.

The Group did not hold investments of this category. The group does not hold investment until maturity.

iv) Financial assets available for sale

These include non-derivative financial assets that are either designated as such or cannot be included in any of the previous categories.

Subsequently, available for sale financial assets are valued at their fair value and the relevant gains or losses are recorded in an equity reserve until these assets are sold or become impaired.

Upon sale or recognition of impairment, profits or losses are transferred to the profit or loss. Impairment losses that have recognized in the profit or loss are not reversed through the profit or loss.

Purchases or sales of investments are recognized at the transaction date which is the date when the Group commits itself to buying or selling the asset. Investments are initially recognized at their fair value plus the directly attributable transaction costs, with the exception of the directly attributable transaction costs for those assets that are valued at fair value through the profit or loss. Investments are written-off when the right to the cash flows from the investments expires or is transferred and the Group has transferred essentially all risks and rewards resulting from ownership.

Subsequent Valuations

Loans and receivables are recognized at the unamortized value based on the effective rate method. Realized and unrealized gains or losses that result from the changes in the fair value of financial assets at fair value through the profit or loss are recognized in the profit or loss during the period in which they arise.

The fair values of financial assets that are traded in active markets are determined by current ask prices. For nontrade assets, fair values are determined with the use of valuation techniques such as the analysis of recent transactions, comparable assets that are traded and discounted cash flows. Participation securities not traded in active markets that have been classified as financial assets available for sale and whose fair value cannot accurately be determined are valued at their acquisition cost.

At each balance sheet date, the Group assesses whether there is objective evidence that leads to the conclusion that the financial items of the assets are subject to impairment. With regard to the company shares which have been categorized as financial assets available for sale, such evidence may be the significant or extended reduction of their fair value compared to their acquisition cost. If such impairment is justified, then the loss accumulated in the shareholders' funds as the difference between the acquisition cost and the fair value is transferred in the results.

Impairment of assets presented at depreciated cost

If there is objective evidence that there is impairment loss concerning loans and receivables or investments held until maturity, that are kept in the accounting books at depreciated cost, then the amount of the loss is measured as the difference between the book value of assets and the present value of estimated future cash flows (excluding future credit losses that have not been realized) discounted with the initial real interest rate of the asset (namely the real interest rate calculated during initial recognition). The book value of the asset will be reduced either directly or by using a provision account. The amount of loss will be recognized in the results.

The Group initially evaluates whether there is objective indication for impairment of individual financial assets that are separately important or aggregately for financial assets that are not important individually. If the Group defines that there is not objective indication of impairment for a financial asset that was reviewed separately, either important or not, then the asset is included in a group of assets with similar credit risk characteristics, which are then reviewed for impairment on an aggregate level. Assets that are reviewed for impairment separately and for which an impairment loss is recognized or continues to be recognized, are not included in an aggregate review for impairment.

In case where in a subsequent period, the amount of the impairment loss is reduced and the reduction is related objectively with an event that occurs after the impairment recognition or the impairment loss the impairment loss that had been previously recognized will be reversed. The amount of the reversal is recognized in the Income Statement to the extent where the book value of the asset does not exceed the depreciated cost during the reversal date of the impairment loss.

Biological Assets

Biological assets are the live inventories of aquaculture fry and fish products that are underway in the production process and are valued at the current net liquidation value. The Group's biological assets were valued at fair value according to IAS 41. The agricultural activity is defined as the administration and management by a company of the biological transformation of biological assets for sale, to an agricultural product or to additional biological assets. Biological assets are defined as animals and plants under the management of a company, while the agricultural product consists of the harvesting of the product from the company's biological assets that is intended for sale, processing or consumption. The right to manage biological assets may emanate from ownership or another legal form.

A biological asset must be valued during initial recognition and during each balance sheet date at fair value minus the estimated cost at the sale place, apart from the case where fair value cannot be reliably estimated. The fair value is defined according to the current sales prices of inventories, namely according to the net liquidation value of inventories.

If there is an active market for a biological asset or agricultural production, the existing prices in such a market constitute the appropriate base for the definition of the asset's fair value. If a company has access to several active markets, it then uses the most relevant market. If a company has access to two active markets, then it will use the price in the market where the asset is expected to be used. Following the initial recognition of biological assets, the Company values such during each subsequent balance sheet date at fair value minus the estimated cost until their sale. Profit or loss that may arise during the initial recognition of a biological asset and its subsequent valuation (minus the estimated sales cost in both cases), are registered in the results of the period where such occur. Profit can arise also during the initial recognition of a biological asset.

Inventories

Inventories are valued at the lower of cost and net realizable value. The cost is defined with the average weighted cost method for raw materials. The cost of finished and semi-finished inventories includes the cost of materials, the direct labor cost and the proportion of general production costs.

Trade receivables

Trade receivables are initially booked at their fair value and are subsequently valued at their unamortized cost using the method of the effective interest rate, less the provision for impairment. Impairment loss is recognized when there is objective indication that the Group is not in a position to collect all the amounts due according to the contractual terms. The amount of the impairment loss is the difference between the book value of receivables and the present value of estimated future cash flows, discounted with the real interest rate. The amount of the impairment loss is registered as an expense in the results.

Cash & cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as money market products and bank deposits with a maturity in less than three months. Money market products are financial assets which are valued at fair value through the results.

For the purpose of the consolidated Cash Flow Statements, cash & cash equivalents consist of cash & cash equivalents as defined above, without including the outstanding balances of bank overdrafts.

Equity

The share capital is defined according to the nominal value of shares issued. The common shares are classified in equity. Share capital includes the Company's common shares. Expenses for the issue of shares are presented, after the deduction of the relevant income tax, as a reduction of the issue proceeds. Direct expenses related to the issue of shares for the acquisition of companies are included in the acquisition cost of the company acquired.

During the purchase of treasury shares, the paid price, including relevant expenses, is presented deductive of equity. During the purchase, sale, issue or cancellation of treasury shares of the economic entity, no profit or loss is recognized in the results.

Income tax and deferred tax

The period charge for income tax comprises current tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but that have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to equity, in which case it is, accordingly, booked directly to equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the tax income of the period and any additional income taxes from previous periods.

Current taxes are measured according to the tax rates and tax laws in effect during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the Statement of Total Comprehensive Income for the year.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss. Deferred tax is defined according to the tax rates in effect during the balance sheet date.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset. Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer likely that adequate taxable profit will be available to allow the utilization of the benefit of part or the entire deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future. Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date.

Retirement benefits and short-term employee benefits

a) Retirement liabilities

Liabilities for retirement indemnities are calculated at the discounted value of future benefits cumulated at the end of the year, according to the recognition of the benefit right of employees during their expected working life. The above liabilities are calculated according to the financial and actuarial assumptions analyzed in note 12.19 and defined using the Projected Unit Method. The net retirement costs for the period are included in the payroll cost in the attached consolidated Income Statement and consist of the present value of benefits accrued during the year, the interest on the benefit liability, the cost of previous service, the actuarial profit or losses and any other additional retirement costs. The cost of previous service is recognized on a constant base on the average period until the benefits of the plan are established. The non-recognized actuarial profit and losses, are recognized on the average remaining duration of the service of active employees and are included as part of the net retirement cost of each year if, during the beginning of the period, such exceed 10% of the future estimated liability for benefits. Liabilities for retirement benefits are not funded.

b) Social Security Funds

The Company's staff is covered mainly by the State Social Security Fund that concerns the private sector (IKA) and the agricultural employees fund (OGA) for aquaculture employees as such are considered as agricultural activity, which grant retirement and medical benefits. Each employee is obligated to contribute part of his/her monthly wage to the fund, while part of the overall contribution is covered by the Company. During retirement, the pension plan is responsible for the payment of retirement benefits to employees. Therefore, the Company has no legal or implied liability for the payment of future benefits according to this plan.

Grants

The Group recognizes government grants that cumulatively satisfy the following criteria:

a) There is reasonable certainty that the company has complied or will comply to the conditions of the grant and

b) It is probable that the amount of the grant will be received. They are booked at fair value and are systematically recognized as revenue according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenue over the useful life of the fixed asset.

Provisions, Contingent Liabilities and Receivables

Provisions for environmental rehabilitation, restructuring expenses and indemnities are recognized when:

(1) There is a present legal or construed obligation as a result of past events

(2) It is likely that an outflow of resources will be required for the settlement of the obligation

(3) The required amount may reliably be estimated.

When there are several similar liabilities, the possibility that an outflow will be required during settlement, is defined by examining the category of liabilities overall. A provision is created even if the possibility of an outflow related to any item included in the same category of liabilities is small.

When part or all of the required expenditure for the settlement of a provision is expected to be reimbursed by another part, the indemnity will be recognized only when it is explicitly certain that the indemnity will be received, if the entity settles the liability and such is treated as a separate asset. The amount recognized for the indemnity does not exceed the amount of the provision.

The expense related to a provision is presented in the results, net of the amount recognized for the indemnity.

Provisions are reviewed at the date when each balance sheet is compiled so that they may reflect the best possible estimation. Provisions are valued at the estimated cost that is required to define the present obligation, according to the most reliable evidence available during the Balance Sheet date, including the risks and uncertainties related to the present obligation.

When the effect of the time value of money is significant, the amount of the provision is the present value of expenses expected to be required in order to settle the liability.

The pre-tax discount rate reflects the market's current estimations for the time value of money and the risks related to the liability. The rate does not reflect risks for which the future estimated cash flows have been adjusted.

When the discounted method is used, the book value of a provision increases in each period in order to reflect time. This increase is recognized as cost in the results.

Possible inflows from economic benefits for the Group that do not yet meet the criteria of an asset, are considered as contingent receivables.

Right for Leave

The rights for annual leave and the leave of long-term service of employees are recognized when such occur. A provision is recognized for the estimated liability of the annual vacation leave and the long-term service leave as a result of services offered until the balance sheet date.

Financial Liabilities

The Group's financial liabilities include bank overdrafts, trade and other liabilities. Financial liabilities are recognized when the Group participates in a contractual agreement of the financial instruments and are eliminated when the Group is relieved from the liability or such is cancelled or matures.

Interest is recognized as an expense in the account "Financial Expenses" in the Income Statement.

Trade liabilities are recognized initially at nominal value and subsequently are valued at depreciated cost minus the settlement payments.

Dividends to shareholders are included in the account "Other short-term financial liabilities", when the dividends are approved by the General Shareholders' Meeting.

Profit and losses are recognized in the Income Statement when the liabilities are eliminated as well as through the depreciation process.

Recognition of revenue and expenses

Recognition of revenue

Revenue is recognized, when it is considered likely that future economic benefits will arise for the entity and such benefits can be measured reliably.

The revenue is measured at fair value of the received exchange and is net of value added tax, rebates, any kind of discounts and after limiting the sales within the Group.

The amount of income is considered to be measured reliably when all the contingent liabilities related to the sale have been resolved.

Sale of goods

Income from sales of goods is recognized when the essential risk and rewards emanating from ownership of the goods have been transferred to the buyer, usually with the dispatch of the goods.

Interest revenue

Interest revenue is recognized using the real interest rate method which is the rate that accurately discounts future cash payments or proceeds for the duration of the expected life of the financial instrument or, when deemed necessary, for a shorter period, at the net book value of the financial asset or liability.

When a receivable has suffered impairment, the Group reduces the book value to the amount expected to be recovered, whereas the recoverable amount is the expected future cash flows discounted using the initial effective interest rate, and the discounting is continued recognizing revenue from interest. Interest revenue on loans that have suffered impairment is recognized using the initial real interest rate.

Revenue from rights

Revenue from rights is recognized according to the accrued revenue/expenses principle, according to the substance of the relevant contract.

Revenue from dividends

Revenue from dividends is recognized when the right to receive such by shareholders is finalized.

Recognition of expenses

Expenses are recognized in the results on an accrual basis. Payments made for operating leases are transferred to the results as expenses, during the period of the lease. Expenses from interest are recognized on an accrual basis.

Leases

The estimation of whether an agreement includes a lease, takes place during the inception of the agreement, taking into account all the data and conditions. The re-evaluation following the inception of the agreement takes place when one of the following occurs:

- There is a change in the terms of the agreement, unless if the change refers only to the renewal or extension of the agreement
- A renewal right is exercised or an extension is agreed, unless the renewal or extension term had initial been included in the lease period
- There is a change to the extent of which the fulfillment depends on the defined assets
- There is a significant change in the asset

If an agreement is re-evaluated, the accounting treatment for leases is applied from the date when the change in the conditions result in an evaluation for the cases (a), (c) or (d), and from the renewal or extension date for case (b).

Group as a lessee

The ownership of a leased asset is transferred to the lessee if all the risks and rewards emanating from ownership of the leased asset are essentially transferred to the lessee. The relevant asset is recognized during the inception of the lease at the lowest between the fair value of the leased asset and the present value of lease payments plus several additional leases, if such exist, that are covered by the lessee. A respective amount is recognized as a liability from financial leasing regardless of whether some of the lease payments are prepaid during the inception of the lease.

The subsequent accounting treatment for assets that have been acquired with financial lease agreements, i.e. depreciation methods and useful lives, corresponds to that applied for comparable acquired assets. The respective liability from financial leases is reduced by the payments of leases minus financial charges, which are recognized as expenses in financial expenses. The financial charges represent a constant periodical interest rate on the outstanding balance of the liability from the financial lease.

All other leases are treated as operating leases. Therefore, lease agreements where the lessor transfers the right of use of an asset for an agreed time period, without however transferring the risks and rewards of the asset's ownership, are classified as operating leases. Payments in operating leasing agreements are recognized as expenses in the results with the straight line method. The relevant expenses, such as maintenance and insurance, are recognized as expenses when such occur.

Group as lessor

Leases where the group does not essentially transfer all the risks and rewards of an asset, are classified as operating leases. Initial direct costs that are charged to the lessors during the negotiation and agreement of an operating lease, are added to the book value of the leased asset and recognized throughout the period of the lease as lease income

12. Group's structure and methods of consolidation

The companies which are included in the Group's financial statements are the following:

COMPANY	DOMICILE	Percentages Direct	Indirect	Total	CONSOLIDATION METHOD	Activity
SELONDA AQUACULTURE A.E.G.E.	30 Navarchou Nikodimou Str, Athens			Parent		Aquaculture
AQUAVEST S.A.	30 Navarchou Nikodimou Str, Athens	100.00%		100.00%	Full	Provision of financial services
AQUANET S.A.	30 Navarchou Nikodimou Str, Athens	90.38%	4.56%	94.94%	Full	Investment activities
POLEMARHA EPIDAVROS S.A.	30 Navarchou Nikodimou Str, Athens	30.70%	69.30%	100.00%	Full	Property development
VILLA PRESIE SA	30 Navarchou Nikodimou Str, Athens	100.00%		100.00%	Full	Property development
DIVING PARKS SA	30 Navarchou Nikodimou Str, Athens	90.94%		90.94%	Full	Tourist operation of diving parks
INTERNATIONAL AQUA TECH LTD	North Linconshire, WALES	89.34%		89.34%	Full	Water system management services
POAY ARGOLIDAS-ARKADIAS SA	Kranidi-Ermionida, C. Argolida	70.36%		70.36%	Full	Management of aquaculture licenses
POAY KORINTHIAS SA	Sofiko-Solygeia, C. Korinthia	82.10%		82.10%	Full	Management of aquaculture licenses
PERSEUS ABEE	Zevgolatio, Corinth	41.34%		41.34%	Equity	Production and trade of fish food
SOUTH EVIA JOINT VENTURE I	30 Navarchou Nikodimou Str, Athens	95.00%		95.00%	Equity	Aquaculture
MARMARI JOINT VENTURE	30 Navarchou Nikodimou Str, Athens	30.00%		30.00%	Equity	Aquaculture
ASTRAIA AEBE	11 Pylarinou St., Corinth	35.00%		35.00%	Equity	Production and trade of fish food
BLUEFIN TUNA HELLAS S.A.	409 Vouliagmeni Ave, Ilioupoli	25.00%		25.00%	Equity	Breeding and sale of tuna fish

The table presents the company name and the legal domicile for each of the companies or joint ventures which are included in the consolidated financial statements, as well as the percentage with which the parent company participates, directly or indirectly, in their share capital.

The company proceeded in year 2007 with the acquisition of 41% of Perseus SA in the context of its efforts to vertically integrate the Group and with expectation, as it was viewed at the time, that there would be increased demand in the sector for fish food products. The company Perseus SA was the largest producer of fish food in Greece with a production plan covering an area of 9,000 m2 in Zevgolatio, County of Korinthos, on a privately owned land area of 22,000 m2. The facilities included three production units of fish with capacity of 1,500 tons and a fish hatching station with capacity of 8,000,000 fish fries.

In the fiscal year 2014, the company consolidated the financial statements of Perseus SA with the full consolidation method, utilizing the provisions of IFRS 10, according to which an investor, independently of the nature of the investor's participation in an economic entity, defines the relation between the parent company and the subsidiary company, and assesses whether there is control of the latter.

An investor controls an issuer company when the investor is exposed or has rights on the variable returns in the context of the participation in the issuer and has the ability to affect these returns by exercising control and power on the issuer. Specifically if and only the investor possesses the following:

d) Power on the issuer

e) Investments or rights with variable returns from the participation in the issuer and

f) The ability to exercise power on the issuer and thus affect the level of the above returns.

With regard to the fiscal year 2014 and until 24 November 2015, on constant basis, three out of the seven members of the Board of Directors of Perseus SA were appointed by the Company. Moreover the Chairman of the Board of the Company as well as of the Board of Perseus was the same person.

Therefore it is concluded from the above that the Company possessed the majority of voting rights in the company PERSEUS SA (4 out of the 7 members of the Board).

Given the fact that from the end of November 2015, the members of the Boards of the companies are not the same any longer, whereas there is no way to immediately determine the future composition of the boards of the two companies, and also given the fact that PERSEUS is currently in negotiations with the credit institutions in order to restructure its bank debt, it is concluded that the Company in the current phase exercises a major influence but it does not control the management of the company PERSEUS SA.

For this reason, the management of the Company decided to consolidate the company PERSEUS SA with the equity method instead of the full consolidation method which was the previous case. Specifically the company PERSEUS SA was recognized in the consolidated financial statements until the end of November 2015 with the full consolidation method (line by line) as a subsidiary company, whereas for the remaining period of the year, until 31 December 2015, was consolidated with the equity method.

It is clear that the Company was exposed to variable returns (apart from the contingent dividends) in the year 2015 as well, which emanated from the business activity of the company PERSEUS SA such as the economies of scale, the cost reductions and the synergies, which clearly were not available for the other shareholders of the company PERSEUS SA. It is noted that 85%-90% approximately of the sales of PERSEUS SA was realized towards the company SELONDA AEGE.

Due to the change of the recognition method of the company PERSEUS SA, the Company proceeded with the following energies and actions (IFRS 10.25):

1. It consolidated until the end of November the company PERSEUS SA with the full consolidation method, therefore recognizing the corresponding results and the minority interests for the same period.

2. De-recognized the assets and the liabilities from the consolidated financial statements at the date when the control of the company ceased to exist.

3. Recognized the interest of its investment in the company PERSEUS SA at fair value at the date when the control of the company ceased to exist. The Company considered as fair value of the remaining stake in the investment, the value of the company's shares in the stock market on 24/11/2015 (€ 0.277 per share). Therefore in order to determine the fair value of the investment, the Company used the market

capitalization based on the price close of the shares of PERSEUS SA on 24/11/2015 (7,127,656 PERSEUS shares held by Selonda times € 0.277 stock market price on 24/11). The amount with which the investment was recognized stood at € 1,974 thousand approximately.

4. De-recognized the total minority interest which had been previously and cumulatively recognized until the time the control of the company ceased to exist, for amount of € 12,814 approximately.

5. Recognized any extracted difference from the above adjustments as profit or loss in the results for the period which are allocated to the shareholders of the parent company.

6. The total effect from the change of the consolidation method is analyzed in the following table:

Fair Value of Interest in Subsidiary Company which is recognized as associate / related company	1.974
Minus:	
Net Assets * Interest held at the time the loss of control occurred	8.937
Profit / (Loss) recognized in the Results	**-6.962**

The equity of PERSEUS SA at the time the loss of control occurred is depicted below:

Description	Amounts (in € thous.)
Equity of PERSEUS SA 24/11/2015	21,743
Minority Rights	-12,806
Equity of PERSEUS Attributable to the Shareholders of SELONDA AEGE	**8,937**

If PERSEUS had been consolidated via the full consolidation method on 31/12/2015, then the effect would have been the following:

Item in the Financial Statements	Effect in case of Full Consolidation until 31.12.2015 (in € thousand)
Equity Attributed to the Shareholders of the Parent Company	6,958
Minority Rights	12,909
Total Equity	19,866
Turnover	2,404
Earnings after Taxes and before Minority Interests	7,186
Earnings after Taxes and Minority Interests	6,958

12.1 Tangible fixed assets

The Group's tangible fixed assets as of 31/12/2015 and 31/12/2014 are analyzed as follows:

	Land Plots	Buildings and facilities	Machinery	Vehicles	Furniture and other equipment	Assets under construction	Total
Acquisition cost (deemed acquisition cost) on 1 January 2015	**4,382,263**	**27,295,487**	**54,381,411**	**8,382,792**	**5,604,543**	**494,886**	**100,541,380**
Additions	0	76,138	1,094,203	151,122	189,925	155,386	**1,666,776**
Derecognition of subisdiaries	-2,128,199	-7,359,361	-17,559,638	-1,019,853	-1,588,031	-122,302	**-29,777,384**
Sales/withdrawals	0	0	-351,111	-4,178	-220,335	0	**-575,625**
Valuation of fixed assets	0	-549,277	-3,601,942	-4,223	0	0	**-4,155,442**
Transfers	0	110,069	26,683	14,103	1,650	-143,265	**9,239**
Acquisition cost (deemed acquisition cost) on 31 December 2015	**2,254,064**	**19,573,055**	**33,989,605**	**7,519,764**	**3,987,751**	**384,705**	**67,708,944**
Accumulated depreciation on 1 January 2015	0	-9,515,348	-37,339,486	-4,984,222	-5,240,816	0	**-57,079,872**
Depreciations for the period	0	-888,801	-2,550,592	-390,117	-117,169	0	**-3,946,679**
Valuation of fixed assets	0	217,162	2,934,798	3,481	0	0	**3,155,440**
Derecognition of subisdiaries	0	2,567,315	12,742,867	720,873	1,547,559		**17,578,615**
Depreciations of assets sold/withdrawn	0	0	212,670	4,178	215,769	0	**432,617**
Accumulated depreciation on 31 December 2015	**0**	**-7,619,672**	**-23,999,743**	**-4,645,806**	**-3,594,658**	**0**	**-39,859,878**
Net Book Value 31/12/2015	**2,254,064**	**11,953,383**	**9,989,862**	**2,873,957**	**393,094**	**384,705**	**27,849,066**
Depreciations of Granted Fixed Assets 31/12/2015	**0**	**0**	**1,276,131**	**0**	**0**	**0**	**1,276,131**
Acquisition cost (deemed acquisition cost) on 1 January 2014	**5,063,766**	**26,585,539**	**49,884,711**	**8,237,387**	**5,534,192**	**520,461**	**95,826,056**
Additions	0	54,500	1,254,122	286,330	69,822	29,762	**1,694,536**
Revaluation of fixed assets	-681,504	643,999	3,280,227	82,126	0	0	**3,324,848**
Withdrawal of Group companies (acquisition cost)	0	0	0	0	0	0	**0**
Sales/withdrawals	0	0	-66,536	-238,594	-805	0	**-305,935**
Transfers	0	11,449	27,666	14,888	1,334	-55,337	**0**
Foreign exchange differences	0	0	1,220	654	0	0	**1,874**
Acquisition cost (deemed acquisition cost) on 31 December 2014	**4,382,263**	**27,295,487**	**54,381,411**	**8,382,792**	**5,604,543**	**494,886**	**100,541,380**
Accumulated depreciation on 1 January 2014	0	-10,063,273	-40,192,131	-7,437,112	-5,124,206	0	**-62,816,722**
Depreciations for the period	0	-886,367	-2,359,881	-280,653	-117,415	0	**-3,644,316**
Revaluation of fixed assets	0	1,434,292	5,176,038	2,511,306	0	0	**9,121,636**
Withdrawal of Group companies (ac. depreciation)	0	0	0	0	0	0	**0**
Depreciations of assets sold/withdrawn	0	0	36,488	222,237	805	0	**259,529**
Transfers	0	0	0	0	0	0	**0**
Accumulated depreciation on 31 December 2014	**0**	**-9,515,348**	**-37,339,486**	**-4,984,222**	**-5,240,816**	**0**	**-57,079,872**
Net Book Value 31/12/2014	**4,382,263**	**17,780,138**	**17,041,924**	**3,398,571**	**363,726**	**494,886**	**43,461,508**
Depreciations of Granted Fixed Assets 31/12/2014	**0**	**0**	**360,186**	**0**	**0**	**0**	**360,186**

The Company's tangible fixed assets as of 31/12/2015 and 31/12/2014 are analyzed as follows:

COMPANY	Land Plots	Buildings and facilities	Machinery	Vehicles	Furniture and other equipment	Assets under construction	Total
Acquisition cost (deemed acquisition cost) on 1 January 2015	**2,231,301**	**20,352,858**	**40,082,838**	**8,245,137**	**4,547,256**	**12,873**	**75,472,263**
Additions		76,138	1,094,203	151,122	189,925	155,386	**1,666,776**
Withdrawal of Group companies (acquisition cost)							**0**
Sales/withdrawals			-351,111	-4,178	-220,335		**-575,625**
Valuation of fixed assets		-549,277	-3,601,942	-4,223	0		**-4,155,442**
Transfers		110,069	26,683	14,103	1,650	-143,265	**9,239**
Acquisition cost (deemed acquisition cost) on 31 December 2015	**2,231,301**	**19,989,788**	**37,250,671**	**8,401,961**	**4,518,496**	**24,994**	**72,417,211**
Accumulated depreciation on 1 January 2015	0	-7,358,952	-27,825,078	-4,913,904	-4,222,296	0	**-44,320,230**
Depreciations for the period	0	-880,141	-2,550,592	-368,079	-117,169	0	**-3,915,980**
Valuation of fixed assets		217,162	2,934,798	3,481	0		**3,155,440**
Withdrawal of Group companies (ac. depreciation)	0	0	0	0	0	0	**0**
Depreciations of assets sold/withdrawn	0	0	212,670	4,178	215,769	0	**432,617**
Accumulated depreciation on 31 December 2015	**0**	**-8,021,931**	**-27,228,202**	**-5,274,324**	**-4,123,696**	**0**	**-44,648,153**
Net Book Value 31/12/2015	**2,231,301**	**11,967,857**	**10,022,469**	**3,127,637**	**394,800**	**24,994**	**27,769,058**
Depreciations of Granted Fixed Assets 31/12/2015	**0**	**0**	**1,276,131**	**0**	**0**	**0**	**1,276,131**

Acquisition cost (deemed acquisition cost) on 1 January 2014	**2,572,309**	**20,286,909**	**38,905,519**	**8,222,808**	**4,483,731**	**38,448**	**74,509,724**
Additions	0	54,500	1,216,189	246,035	62,996	29,762	**1,609,482**
Valuation of fixed assets	-341,008	0	0	0	0	0	**-341,008**
Sales/withdrawals	0	0	-66,536	-238,594	-805	0	**-305,935**
Transfers	0	11,449	27,666	14,888	1,334	-55,337	**0**
Acquisition cost (deemed acquisition cost) on 31 December 2014	**2,231,301**	**20,352,858**	**40,082,838**	**8,245,137**	**4,547,256**	**12,873**	**75,472,263**
							0
Accumulated depreciation on 1 January 2014	**0**	**-8,240,746**	**-31,237,405**	**-7,354,041**	**-4,123,289**	**0**	**-50,955,481**
Depreciations for the period	0	-680,167	-1,885,253	-255,136	-99,812	0	**-2,920,368**
Valuation of fixed assets	0	1,561,961	5,261,092	2,473,036	0	0	**9,296,089**
Depreciations of assets sold/withdrawn	0	0	36,488	222,237	805	0	**259,530**
Transfers	0	0	0	0	0	0	**0**
Accumulated depreciation on 31 December 2014	**0**	**-7,358,952**	**-27,825,078**	**-4,913,904**	**-4,222,296**	**0**	**-44,320,230**
Net Book Value 31/12/2014	**2,231,301**	**12,993,906**	**12,257,760**	**3,331,233**	**324,960**	**12,873**	**31,152,033**
Depreciations of Granted Fixed Assets 31/12/2014			**360,186**				**360,186**

The investments of the period 1/1–31/12/2015 of the Group account for € 1,667 thousand, with the entire amount referring to the parent company.

There are prenotations on the Company's and the Group's fixed assets, the analysis of which is presented in note 12.3 of the financial statements.

12.2 Investment Property

Investment property is intended for the creation of income from rents or profit from their subsequent sale. Property utilized for the Group's operating activities is not considered as investment property but as operational. This constitutes the criteria for distinguishing between investing and operating property.

Investment property as long-term assets, are presented at historic acquisition cost after the deduction of accumulated depreciations and impairment losses, except for the category Land-Plots, where the historic acquisition cost is presented free from any possible impairment loss. Income from rents is registered in other operating income in the income statement.

The Group during the closing year 2015 proceeded with the valuation of two investment properties (POLEMARCHA EPIDAVROS SA and VILA PRESIE SA). The above valuation resulted into an impairment loss of € 2.390 million.
In the previous year, there were no respective valuations and therefore no loss due impairment was recorded.

12.3 Existing collateral assets

The following prenotations exist as insurance against the Group's bank debt:

- The guarantees granted by the Company with regard to its bond loans amounting to € 110 million, are the following:

(i) Variable guarantee of a' class comprising the biological assets owned by the Company for an amount of € 80 million.

(ii) Pledge of a' class comprising the entire equipment (fish cages and sea floating equipment) owned by the Company for an amount of € 5 million.

(iii) Pledge of a' class / granted guarantee comprising the entire aquaculture licenses of the Company.

(iv) Pledge of a' class / granted guarantee comprising the receivables of the Company emanating from insurance contracts, existing and prospective ones, with regard to the fixed assets which are the object of the guarantees mentioned under elements (i) and (ii).

(v) Lien mortgages of a' class and series against the entire property owned by the Company and its subsidiaries, for amount equal with 120% of the Bond Loan amount of € 100 million, plus interest and expenses, with the capital recorded as interest earning and with the burden guaranteeing the interest beyond the recorded amount according to article 1289 AK.

(vi) Pledge of a' class / granted guarantee comprising any kind of receivables emanating from insurance contracts to their entirety, existing and prospective ones, with regard to the properties which are the object of the lien mortgages mentioned under element (v) above.

(vii) Tangible financial guarantee / pledge of a' class against the entire shares owned by the Company and issued by its subsidiaries and specifically against the shares of the companies POLEMARCHA EPIDAVROS SA, AQUANET SA, AQUAVEST SA, VILLA PRESIE SA, ELLINIKA KATADYTIKA PARKA SA, PERSEUS SA. Moreover, a tangible financial guarantee / pledge of a' class was formed against the shares owned by AQUAVEST SA as well, meaning against the shares of the companies AQUANET SA and POLEMARCHA

EPIDAVROS SA.

(viii) Pledge of a’ class / granted guarantee comprising the receivables of the Company emanating from the deposit contracts concerning bank account or bank accounts of the Company kept in the Representative of the Bond Holders.

(ix) Formation of naval mortgages / pledges against the floating means (boats) of the Company.

(x) Pledge of a’ class / granted guarantee comprising the receivables of the Company emanating from the contract referring to the management of receivables and signed with ABC Factors, as the agreement is amended, renewed, replaced and becomes effective each time.

(xi) Pledge of a’ class / granted guarantee comprising the entire receivables of the Company against the Greek State concerning the rebate and collection of Value Added Tax (VAT).

- The guarantees granted to the Company’s creditors are the following:

  Variable insurance of a’ class on the biological assets owned by the Company up to an amount of €5 million.

12.4 Intangible assets

The movements of the intangible assets in the separate and consolidated financial statements which refer to rights-licenses that have been absorbed in previous years for the year ending on 31st of December 2015 and 2014 have as follows:

For the Group:

Intangible Assets	Rights - Licenses
Book Value on 1st January 2014	871,128
Accumulated amortization on 1st January 2014	-444,821
Additions	1,105
Impairment / withdrawals	-191,613
Amortization of assets sold / withdrawn	191,612
Amortization	-4,817
Net Book Value on 31/12/2014	**422,594**
Book Value on 1st January 2015	680,620
Accumulated amortization on 1st January 2015	-258,026
Net Book Value on 31/12/2014	**422,594**
Additions	63,000
De-recognition of subsidiaries	-29,666
Impairment / withdrawals	-9,843
Amortization of assets sold / withdrawn	9,843
Amortization	-2,832
Net Book Value on 31/12/2015	**453,096**

For the Company:

Intangible Assets	Rights - Licenses
Book Value on 1st January 2014	589,567
Accumulated amortization on 1st January 2014	-191,882
Additions	0
Impairment / withdrawals	-191,613
Amortization of assets sold / withdrawn	191,612
Amortization	-4,756
Net Book Value on 31/12/2014	**392,928**
Book Value on 1st January 2015	397,954
Accumulated amortization on 1st January 2015	-5,026
Additions	63,000
Impairment / withdrawals	-9,843
Amortization of assets sold / withdrawn	9,843
Amortization	-2,832
Net Book Value on 31/12/2015	**453,096**

12.5 Investments in subsidiaries and affiliates

The Company's investments in subsidiaries have as follows:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Beginning of period	0	0	22,992,046.00	23,443,948.00
Additions	0	0	151,290.00	0.00
De-recognition of subsidiaries	0	0	-5,389,962.73	0.00
Sales/Impairment/Provisions for Impairm.	0	0	0.00	-451,902.00
Balance at end	**0.00**	**0.00**	**17,753,373.27**	**22,992,046.00**

During the current year, the company PERSEUS was excluded from consolidation based on the elements provided by note 12, which describes the effect from the non-consolidation of the company on the major items of the financial statements. The inclusions for the period concern the companies POYA KORINTHIAS SA and POYA ARGOLIDAS ARKADIAS SA, with participation percentages of 82.10% and 70.36% respectively. The particular companies have as main objective the development and management of sea farming facilities in the off-shore zone as well as the management of sea resources.

The investments of the company and the group in related-affiliated companies have as follows:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Beginning of period	0	1,218,346	0.00	19,000.00
Incorporation / Exclusion of associates	0	-17,965	5,389,962.73	0.00
Share of profit/loss (after taxes and minorities)	2,051,621	-11,652	0.00	0.00
Sales / Impairments	0	-1,188,729	0.00	-19,000.00
Balance at end	**2,051,621.37**	**0.00**	**5,389,962.73**	**0.00**

The change in the company is due to the transfer of the participation amount in PERSEUS from the subsidiaries to the affiliates.

The result from the affiliates which was consolidated by the Group is analyzed as follows:

Included in the Profit / (Losses) from associate companies consolidated with the equity method	Amounts in €	
	31/12/2015	**31/12/2014**
Losses from associate companies		
Perseus	139,096	0
Kalymnos J/V	0	-10,445
Marmari J/V	0	-1,207
Total	**139,096**	**-11,652**

The company does not possess subsidiaries with significant percentage of non-controlling interests.

12.6 Investments Available for Sale

The investments available for sale of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Beginning of period	901,108	974,810	241,451	220,028
Additions	0	2,423	0	2,423
Sales	0	0	0	0
De-recognition of subsidiaries	-660,692	0	0	0
Transfer to/from associates	0	17,965	0	19,000
Adjustment into fair value	0	-94,090	0	0
Balance at end	**240,416**	**901,108**	**241,451**	**241,451**

There are no additions of investments available for sale within the current year, whereas the change in the Group is due to the declassification of investments available for sale, namely Perseus.

12.7 Other Long-term Receivables

This account monitors the given guarantees of the Group and Company. The account movement is as follows:

	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Long-term Receivables against other companies	0	1,216,512	0	0
Guarantees granted	250,275	236,606	250,275	203,109
	250,275	**1,453,118**	**250,275**	**203,109**

12.8 Deferred Taxation

The calculation of the deferred tax assets and liabilities take place at the level of each individual Group company and to the extent that receivables and liabilities arise and such are offset against each other (at the level of each individual company). The deferred tax assets and liabilities are offset when there is an applicable legal right that allows current tax assets to be offset against current tax liabilities and when the deferred income taxes refer to the same tax authority. The offset amounts are as follows:

Deferred tax assets / (liabilities)	Balance as at 1/1/2014	(Debit) / Credit in the results of continued operations	(Debit) / Credit in net worth	Balance as at 31/12/2014
Tangible fixed assets	5,367,763	3,120,156	0	8,487,919
Intangible assets	-20,557	135,268	0	114,711
Syndicated loans	0	0	0	0
Biological assets	1,430,231	2,922,513	0	4,352,744
Inventories	156	32,523	0	32,679
Customers and other trade receivables	0	-221,059	0	-221,059
Other asset items	0	0	0	0
Deferred income	-232,855	-6,243	0	-239,098
Provisions for employee benefits	-214,704	33,781	-62,524	-243,447
Other provisions	-173,784	-208,218	0	-382,002
Fixed assets' fair value reserves	0	-7,754,414	4,468,103	-3,286,311
Expenses due to share capital increase	0	331,062	-165,531	165,531
Offsetting of Deferred Tax Assets and Liabilities	**6,156,250**	**-1,614,631**	**4,240,048**	**8,781,667**

Deferred tax assets / (liabilities)	Balance as at 1/1/2015	(Debit) / Credit in the results of continued operations	Deferred tax assets / (liabilities) concerning the de-recognition of subsidiary	(Debit) / Credit in net worth	Balance as at 31/12/15
Tangible fixed assets	-6,916,857.44	-288,020.38	2,149,568.29	480,713.00	-4,574,596.53
Investment property	-1,571,062.65	511,823.41	0.00		-1,059,239.24
Intangible assets	-114,710.54	-7,374.16	124,401.88		2,317.18
Biological assets	-4,343,555.00	310,935.82	0.00		-4,032,619.18
Inventories	-32,679.00	-7,404.92	0.00		-40,083.92
Customers and other trade receivables	221,059.37	18,288.57	92,929.63		332,277.56
Deferred income	239,098.03	-239,098.03	0.00		0.00
Provisions for employee benefits	355,040.36	24,924.05	-61,560.04	84,346.65	402,751.02
Other provisions	232,761.88	-135,382.06	-97,379.82		0.00
Loans	-2,003,945.06	96,339.43	0.00		-1,907,605.63
Reserve from Losses Recognized for tax purposes	3,000,000.00	0.00	0.00		3,000,000.00
Reduction from de-recognition of subsidiaries	0.00				0.00
Expenses due to share capital increase / Transitory liability accounts	149,240.00	88,172.57		-165,531.00	71,881.57
Offsetting of Deferred Tax Assets and Liabilities	**-10,785,610.06**	**373,204.30**	**2,207,959.93**	**399,528.65**	**-7,804,917.18**

Deferred tax assets / (liabilities)	Balance as at 1/1/2014	(Debit) / Credit in the results of continued operations	(Debit) / Credit in net worth	Balance as at 31/12/2014
Tangible fixed assets	2,551,567	2,228,332	0	4,779,899
Intangible assets	-20,557	13,517	0	-7,040
Syndicated loans	0	0	0	0
Biological assets	1,430,229	2,922,515	0	4,352,744
Inventories	156	32,523	0	32,679
Customers and other trade receivables	0	-286,379	0	-286,379
Other asset items	0	0	0	0
Deferred income	-232,855	-6,243	0	-239,098
Provisions for employee benefits	-214,704	92,684	-62,524	-184,544
Other provisions	-173,784	24,544	0	-149,240
Fixed assets' fair value reserves	0	-6,572,622	3,286,311	-3,286,311
Expenses due to share capital increase	0	331,062	-165,531	165,531
Offsetting of Deferred Tax Assets and Liabilities	**3,340,052**	**-1,220,067**	**3,058,256**	**5,178,241**

Deferred tax assets / (liabilities)	Balance as at 1/1/2015	(Debit) / Credit in the results of continued operations	(Debit) / Credit in net worth	Balance as at 31/12/15
Tangible fixed assets	-4,779,899.20	-375,051.22	491,531	-4,663,420
Intangible assets	7,039.61	-4,722.43		2,317
Biological assets	-4,343,557.00	310,937.82		-4,032,619
Inventories	-32,679.00	-7,404.92		-40,084
Customers and other trade receivables	286,379.41	45,898.15		332,278
Deferred income	239,098.03	-239,098.03		0
Provisions for employee benefits	296,137.10	22,372.45	84,241	402,751
Loans	-2,003,945.06	96,339.43		-1,907,606
Reserve from Losses Recognized for tax purposes	3,000,000.00			3,000,000
Expenses due to share capital increase / Transitory liability accounts	149,240.00	88,172.57	-165,531	71,882
Offsetting of Deferred Tax Assets and Liabilities	**-7,182,186.11**	**-62,556**	**410,241**	**-6,834,501**

12.9 Biological Assets

The Biological Assets are classified into sub-categories according to their maturity stage so that it is feasible for the users of financial statements to be informed about the timing of future cash flows which the Company anticipates from the utilization of the biological resources. The separation of biological assets in the Statement of Financial Position, takes place according to the average weight of fish inventories, and are categorized as follows:

a) Fish with weight lower than 340 gr which are expected to have marketable weight after 31/12/2016 and fish fry into Non-Current Biological Assets,

b) Fish with weight lower than 340 gr which are expected to have marketable weight before 31/12/2016 and fish with weight higher than 340 gr into Current Biological Assets.

The biological assets refer to the aquaculture products of fry-fish which are under development in the production procedure in several development stages and include inventories of fry, fish, brood which are located in the production facilities under development. The following table presents the biological assets fair value reconciliation on 31/12/2015 and 31/12/2014 respectively:

	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Fair value of biological assets 31.12.2014	-105,982,921	-96,940,372	-105,982,921	-96,934,578
Mortality / Self Consumption	0	0	0	0
Purchase during the Year	-17,847,701	-8,229,718	-17,766,801	-8,220,275
Sales during the Year	112,921,928	101,509,137	112,897,183	101,508,668
Fair value of biological assets 31.12.2015	123,578,304	105,982,921	123,578,304	105,982,921
Earnings Losses from changes in the Fair Value of Biological Assets 31/12/2015	**112,669,610**	**102,321,968**	**112,725,764**	**102,336,737**

The respective changes in the Statement of Financial Position are analyzed as follows:

	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Biological Assets categorized in fixed assets	14,090,918	43,552,591	14,090,918	43,552,591
Biological Assets categorized in current assets	109,487,386	62,430,330	109,487,386	62,430,330
Total Biological Assets	**123,578,304**	**105,982,921**	**123,578,304**	**105,982,921**

Following the adoption of IFRS 13 with effect from 1.1.2013, the measurement of fair value of Biological Assets is carried out in accordance with the provisions of the new standard and in line with the requirements of IAS 41. According to IFRS 13, fair value is the selling price, which is determined based on the primary market by taking into account all reasonably available information. The fair value represents the value in this market, even if the price in a different market is potentially more advantageous at the measurement date.

The Group in accordance with IFRS 13 should have access to the main market at the measurement date. As the main market for the Group was determined the market of Italy which represented 27.8% of the total exports for the year 2015 versus 23.32% in the previous year.

Gain or loss arising from the initial recognition of a Biological Asset and its subsequent valuation is recognized in the result of the fiscal year in which it arises.

The fair value of Biological Assets arises from:

- Stocks, which due to their size can be sold directly to the main market (fish stocks over 340 gr), and which are valued at the market price of the main market (Italy) of the first two weeks following the end of the reference period for the preparation of financial statements reduced by the amount of estimated transportation costs, since the location is a characteristic of the Biological Assets.
- Stocks, which due to their size cannot be sold directly to the main market (fish stocks under 340 gr), the valuation of which is analyzed in following paragraph.

The Company's biological assets increased significantly during the year 2015 (€ 123.5 million on 31/12/2015 versus € 105.9 million on 31/12/2014). The above change was due to the significantly higher inventory undertaken by the Company in comparison with the previous fiscal year.

Examining the catching data in conjunction with the continuous process of searching for a valuation method for biological stock that enables direct approach of biological stock, the Group's Management has adopted a more conservative valuation model based on direct identification of factors such as mortality and biomass loss from causes such as food quality, temperature fluctuations, diseases etc.

The deviation of the value of biological inventories at the year-end and per category is analyzed by category below:

Change in the Value of Inventories by the end of the year in €:	31/12/2015	31/12/2014
Biological Assets (up to 200gr. for 31/12/2014, up to 340gr. for 31/12/2015)	34,591,015	3,983,478
Biological Assets (over 200gr. for 31/12/2014, over 340gr. for 31/12/2015)	-15,975,527	1,374,441
Effect from the Change in the Value of Fish Fry	-1,020,105	3,690,424
Total Change	**17,595,382**	**9,048,343**

It is noted that the changes between the first two categories are not comparable since there has been a change in the categorization of fish between the two fiscal years.

The Company proceeded with the sale of 19.1 thousand tons of self produced biological assets approximately within the year 2015 (2014: 18.5 thousand tons). The annual production of fish biomass for the year 2015 settled at 22,945 kg versus 18,268 kg in 2014.

Against the Company's Biological Assets there are pledges servicing as guarantees for the bank debt obligations. A relevant analysis is presented in note 12.3 of the financial statements.

12.9.1. Biological Assets

The Biological Assets of the Group refer to the aquaculture products fry – fish that are underway in the production process in several development stages. The separation of the Biological Assets into categories is based on the average weight (maturity stage) of fish stocks at the reporting date of the Financial Statements.

The Biological assets are valued as follows at the measurement date:

1. **Fry in the hatching facilities:** Estimated number of pieces multiplied by the fair value of these, which is estimated as the selling price in the primary market that for this category is considered to be Greece.
2. **Fish stocks in fish cages with average weight 0-340 gr:** this category has no selling market, as there is no immediate demand for these. This category concerns the Biological Assets that are initially imported in fish cages in order to grow. According to the Management of the Group there are no market prices since there is no demand for the category of 0-340 gr. As it was mentioned in note 10, on 31/12/2014 the specific assumption included the fish inventories with average weight 0-200 gr, and the sales of this category concerned 1.9 % of the total volume of biomass sales of 2014 and related to Biological Assets that did not have the expected growth during harvesting. The sales of the category of fish inventory with average weight 0-340 gr represented a stake of 13% approximately of the total biomass sales volume in 2015. This category is sold as a sorting category mainly in secondary markets. Based on IFRS 13, the valuation technique that converts future cash flows and outflows in a current (discounted) amount has been chosen and applied since 1/1/2013 permanently.
3. **Fish stocks in cages with average weight of more than 340 gr:** Estimated biomass which will be collected per cage and based on its average weight, with the use of percentages of actual collections of year 2015, different for cages in the facilities of the company and of Dias. The aggregate biomass derived per category of average weight, is multiplied by the fair value of it, which is deemed as the selling price in the main market (at the market price of the first two weeks of the month following the end of the reporting period less the amount of the estimated transportation costs).

Pursuant to the requirements of IAS 41, there is the assumption that the fair value can be estimated for all biological assets reliably. This assumption is contradicted by the initial recognition and under the condition that the company can rely on the following:

- Market prices for these Biological Assets are not available and
- Alternative methods of valuation at fair value for the specific category are not reliable.

The Group's management believes that given the market conditions (variations in the sales prices, growth, the historical costs of production), it can reliably evaluate the specific category. For the species of average weight of 0-340 gr, as there is no observable price for the respective category, the Group has assessed the fair value using as a valuation technique the discount of the future cash flows arising until the moment they reach at a marketable weight.

The assumptions made for this analysis have as follows:

1. The data for the development of biomass, these have arisen according to assumptions of the Management on the consumed food and the convertibility rate of food in biomass, the prevailing temperatures, the mortalities and the type of fish.

2. As a discount rate the Weighted Average Cost of Capital (WACC), at the price of 9.11% (versus 9.17% in 2014), was used.
3. The selling price of items in the main market when they will reach the marketable weight desired by the Management of the Group (340 gr)
4. The Company's average cost in order that the fish reaches the marketable weight based on historical data
5. The average collection period of receivables from sales and the average payment period of obligations incurred in order to develop the Biological Assets of this category.

The following sensitivity analysis presents how much the value of fish of 0-340 gr would have been affected in the Statement of Financial Position, and equally the earnings before taxes, if the basic assumptions used in the valuation had been different by +/- 10 %.

Analysis of assumptions made for valuing fish of 0-340 gr. It is noted that the valuation on the 31/12/2015 amounted to € 63.4 million approximately.

Important Assumption based on Observable Data	**Sensitivity analysis on the assumption made for the fair value measurement**	
	+10%	-10%
Change in estimated selling prices at harvesting	8,109,238	-8,109,238
Change in estimated transportation costs at selling	-886,426	886,426
Change in discount rate - WACC	-215,127	215,127
Change in estimated cost per fish fry until harvesting	-3,858,277	3,858,277

Analysis of assumptions made for the valuation of fish fry in hatcheries. It is noted that the valuation on 31/12/2015 amounted to approximately € 13.6 million.

Important Assumption based on Observable Data	**Sensitivity analysis on the assumption made for the fair value measurement**	
	+10%	-10%
Change in estimated selling prices	1,369,658	-1,369,658

Analysis of assumptions made for valuing fish of 340 gr and above. It is noted that the valuation on 31/12/2015 amounted to approximately € 46.4 million.

	Sensitivity analysis on the assumption made for the fair value measurement	
	+10%	-10%
Change in estimated selling prices	5,153,046	-5,153,046
Change in estimated transportation costs	-507,566	507,566

12.10 Inventories

The inventories of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Raw and auxiliary materials	5,271,803	5,592,225	5,271,803	4,444,901
Merchandise	128,367	127,284	128,367	127,284
Consumable and other inventory	395,668	293,108	252,476	187,892
Packaging materials	133,348	129,918	133,348	129,918
Sea food inventories	0	935,853	0	0
Total net liquidation value	**5,929,186**	**7,078,388**	**5,785,994**	**4,889,995**

The inventory of the Group and the Company refer to raw materials of the aquaculture production procedure such as feeding and other consumables, and raw materials for fish-food production (fish flour, fish oil, cereals). The Group taking into consideration the financial position and the level of the raw material prices proceeds accordingly to the most appropriate inventory building under the circumstances each time. The deviations appearing in the current fiscal year compared to the previous one concern the fish food inventories of Perseus.

12.11 Receivables from Trade Activities

The Group's and Company's Customers and other Trade Receivables are analyzed as follows:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Customers	17,988,613	23,173,689	17,333,772	15,322,105
Trade receivables from related parties	0	1,456,868	188,180	265,016
Litigation customers	2,649,461	2,647,595	2,649,461	2,647,595
Doubtful customers	0	0	0	0
Notes receivable	0	350,000	0	0
Checks / notes receivable in delay	2,285,064	2,588,998	2,285,064	2,382,142
Checks receivable	5,085,656	12,728,970	5,085,656	4,237,799
Less: Provisions, impairments	-7,409,884	-10,282,959	-7,409,884	-6,033,747
Net Trade Receivables	**20,598,910**	**32,663,161**	**20,132,249**	**18,820,910**

The above receivables in their entirety are considered to be of short-term duration. The fair value of these short-term financial assets is not defined independently as their book value is considered to approach the fair value.

The movement of the provisions for doubtful trade receivables of the Group and the Company during the fiscal years ended on 31/12/2015 and 31/12/2014 is as follows:

	GROUP		COMPANY	
Provisions for impairment of Receivables	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Opening Balance	**10,282,960**	**9,672,512**	**6,033,748**	**5,262,798**
Additional Provisions	1,376,136	866,650	1,376,136	770,950
De-recognition of Subsidiaries	-4,249,212	0	0	0
Utilized Provisions	0	-256,202	0	0
Ending Balance	**7,409,884**	**10,282,960**	**7,409,884**	**6,033,748**

The maturity of the receivables for the Group and the Company is analyzed as follows:

Group	From 0 to 3 months	From 3 to 6 months	From 6 to 9 months	From 9 to 12 months	Longer than 12 months	Total
Balances 31/12/2014	11,516,961.96	14,297,777.99	4,046,628.60	1,533,835.88	1,267,955.76	32,663,160.19
Balances 31/12/2015	9,438,531.96	6,291,013.53	3,085,351.83	1,784,013.60	0.00	20,598,910.92

Company	From 0 to 3 months	From 3 to 6 months	From 6 to 9 months	From 9 to 12 months	Longer than 12 months	Total
Balances 31/12/2014	11,516,961.96	4,720,760.76	1,054,274.31	1,528,912.97	0.00	18,820,910.00
Balances 31/12/2015	9,438,531.96	6,291,013.53	3,085,351.83	1,317,352.59	0.00	20,132,249.91

12.12 Other Receivables

The other receivables of the Group and the Company are analyzed as follows:

Other receivables	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Receivables from Greek State	3,899,546	1,800,644	3,734,473	1,802,599
Taxes withheld	0	0	0	0
Sundry debtors	5,303,721	5,208,631	5,303,720	974,185
Receivables against affiliated companies	4,592,527	4,385,940	4,847,299	4,511,557
Other receivables	102,967	326,826	80,666	11,787
Less: Provisions, impairments	-5,045,119	-4,380,790	-5,045,119	-4,380,790
Prepaid expenses for the year	238,365	254,749	238,365	254,749
Total	**9,092,007**	**7,596,001**	**9,159,404**	**3,174,088**
Prepayments	**GROUP**		**COMPANY**	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Deferred expenses	28	1,418	0	0
Prepayments for inventory purchases	1,258,146	1,901,725	1,258,146	1,892,267
Prepayments and credit account	151,488	181,021	0	0
Prepayments and personnel loans	19,822	8,951	19,181	5,972
Total	**1,429,484**	**2,093,115**	**1,277,327**	**1,898,239**
Total	**10,521,491**	**9,689,116**	**10,436,731**	**5,072,326**

The increase of the receivable for the Group and the Company is due to the higher receivable of VAT from the Greek State for an amount of € 2.18, for which there is an application for rebate, as well as due to the higher receivable from ABC Factors.

The prepayments mainly concern agreements for the purchase of raw materials of production and fish, in the context of covering receivables through the sale of fry, feeding material and fish.

12.13 Investments held for trading purposes

The particular account includes mainly shares listed on the Athens Exchange, valued through the income statement. The movements of certain financial instruments are presented in the following table:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Opening balance	82,247	82,247	32	32
Additions	51,651	0	51,651	0
De-recognition of subsidiaries	-82,215			
Ending balance	**51,683**	**82,247**	**51,683**	**32**

The additions mainly concern shares of the company NIREUS AQUACULTURE SA, which were assumed under of the ownership of the Company following the Company's participation in SEA FARM IONIAN SA, which was absorbed by NIREUS in the fiscal year 2015.

12.14 Cash and cash equivalents

The cash and cash equivalents include the following:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Cash at hand	16,485	26,341	14,978	20,742
Short-term bank deposits	3,923,734	11,795,755	3,869,430	6,731,473
Blocked deposits	1,271,010	651,897	1,271,010	651,897
Time deposits	0	5,700,000	0	5,700,000
Deposits in foreign currency	1,304,659	553,769	661,885	223,067
Total	**6,515,889**	**18,727,762**	**5,817,303**	**13,327,179**

The cash and cash equivalents of the Group and the Company are created from the cash liquidity management and planning for the coverage of working capital needs in the following months. There was significant decrease in the cash and cash equivalents of the Group and the Company due to the expiration of a time deposit which was utilized for the repayment of obligations and due to the non consolidation of the cash reserves of PERSEUS following the change in consolidation method. The effective average interest rate earned in the bank deposits during 2015 was 1%.

12.15 Share Capital

The following table presents the evolution of the Share Capital and the Share premium account during the presented reporting periods for the Group and the Company:

	Amounts in €			
	Number of shares	Nominal value	Value of common shares	Share premium
Opening balance on 1/1/2014	**36,235,184**	**1.00**	**36,235,184**	**13,168,901**
Closing balance on 31/12/2014	**204,235,184**	**0.30**	**61,270,555**	**13,168,901**
Opening balance on 1/1/2015	**204,235,184**	**0.30**	**61,270,555**	**13,168,901**
Closing balance on 31/12/2015	**204,235,184**	**0.30**	**61,270,555**	**13,168,901**

The shareholders' funds of the Company on 31/12/2015 are lower than the ½ of the share capital and therefore the clauses of article 47 of P.L. 2190/1920 are applicable.

In this context and in an effort to tackle any related risks, the Management has planned and implements a series of actions in order to improve the financial position of the Group and the Company, to gradually restore the capital adequacy and to ensure the smooth business operation of the Group and the Company. Such actions include the following:

- The Management of the Group has prepared and applies a plan with the target to ensure the improvement of operating results. In this context, the Company closely monitors the performance of its activities by conducting detailed financial audits and by proceeding with the adoption of measures in order to boost sales and control the operating cost.

- Furthermore, based on the decision of the Competition Committee numbered 619/2015, the acquisition of control of the company Dias SA was approved, through the purchase of the entire assets and of part of the liabilities of the latter company. The above was implemented in line with the restructuring agreement dated on 30/04/2015 and the provisions of article 99 of the Bankruptcy Code (Law 3588/2007 as it is currently in effect). An analytical presentation is provided in paragraph 9.2 of the financial statements.

Under the context of the above events and given the fact that the Management has no evidence that the above presented and planned actions will not complete successfully, it is expected that the Company and the Group will not face any issues of capital adequacy in the following 12 months.

At the end of the current year, there are no shares of the parent company held either by the company itself or by subsidiaries and associate companies.

12.16 Reserves

The other reserves of the Group and the Company are analyzed as follows:

	Statutory Reserves	Reserve from share capital decrease	Tax free reserves of special law	Specially taxed reserves	Reserve from tax free income	Other Reserves	Total
Opening balance on 1/1/2014	**1,611,362**	**0**	**8,197,704**	**1,343,530**	**432,416**	**1,422,653**	**13,007,665**
Changes during the year	39,861	25,364,629		-1,343,530	-432,416	-10,079	**23,618,465**
Closing balance on 31/12/2014	**1,651,223**	**25,364,629**	**8,197,704**	**0**	**0**	**1,412,574**	**36,626,130**
Opening balance on 1/1/2015	**1,651,223**	**25,364,629**	**8,197,704**	**0**	**0**	**1,412,574**	**36,626,130**
Formation of statutory reserve of subsidiary	178,706	0	0	0	0	0	**178,706**
Closing balance on 31/12/2015	**1,829,929**	**25,364,629**	**8,197,704**	**0**	**0**	**1,412,574**	**36,804,836**

	Statutory Reserves	Reserve from share capital decrease	Tax free reserves of special law	Specially taxed reserves	Reserve from tax free income	Other Reserves	Total
Opening balance on 1/1/2014	**1,611,362**	**0**	**8,197,704**	**1,343,530**	**432,416**	**8,804**	**11,593,816**
Changes during the year	0	25,364,629	0	-1,343,530	-432,416	-8,804	**23,579,879**
Closing balance on 31/12/2014	**1,611,362**	**25,364,629**	**8,197,704**	**0**	**0**	**0**	**35,173,695**
Opening balance on 1/1/2015	**1,611,362**	**25,364,629**	**8,197,704**	**0**	**0**	**0**	**35,173,695**
Closing balance on 31/12/2015	**1,611,362**	**25,364,629**	**8,197,704**	**0**	**0**	**0**	**35,173,695**

Ordinary reserve: According to the Greek corporate law, companies are obliged to withhold 5% of their annual income after tax for the formation of an ordinary reserve, until the time the balance of the ordinary reserve is equal to or approach at least the 1/3 of the share capital. This reserve is not eligible to be distributed however it can be utilized for offsetting of losses.

Tax free reserves or specially taxed reserves: These reserves emanated from earnings that were not taxed at the time when they arose due to the fact that they were tax free in accordance with the clauses of Law 2238/1994. These reserves were mandatorily offset in year 2014, according to the clauses of Law 4172/2-13, with tax recognizable losses.

Tax free reserves of special law: These tax-free reserves were formed in previous years according to special provisions of development laws.

12.17 Fair Value Reserves

Amounts in €	The Group			Company
	Revaluation of fixed assets	Financial assets available for sale	Total	Revaluation of Fixed Assets
Opening balance on 1/1/2014	**0**	**52,335**	**52,335**	**0**
Revaluation of fixed assets	14,592,017	0	**14,592,017**	12,639,658
Less: Tax	-3,777,999	0	**-3,777,999**	-3,286,311
Financial assets available for sale	0	0	**0**	0
- earnings/(losses) of the current period	0	-50,183	**-50,183**	0
- reclassification in the results	0	11,286	**11,286**	0
Closing balance on 31/12/2014	**10,814,018**	**13,438**	**10,827,456**	**9,353,347**
Opening balance on 1/1/2015	**10,814,018**	**13,438**	**10,827,456**	**9,353,347**
Less: Depreciation of fixed assets valuation reserve	-3,216,961	0	**-3,216,961**	-3,002,481
Plus: Deferred tax from depreciation of fixed assets reserve	158,005	0	**158,005**	112,340
Less: Effect from tax	-434,954		**-434,954**	-379,190
Financial assets available for sale	0	0	**0**	0
- earnings / (losses) of the current period	0	-97,549	**-97,549**	0
- reclassification in the results	0	-11,366	**-11,366**	0
Share in the other comprehensive income of investments consolidated with the equity method	0	0	**0**	0
- current period	0	-61,836	**0**	0
- reclassification in earnings or losses for the period	0	0	**0**	0
Closing balance on 31/12/2015	**7,320,108**	**-157,313**	**7,162,795**	**6,084,016**

Reserve due to the revaluation of fixed assets at fair: The particular reserve refers to the gain generated from the valuation of land plots, buildings, machinery equipments and transportation means at fair. This reserve is not eligible to be distributed to the shareholders until either it its transferred to the results carried forward via the depreciations or with the recognition of the profit that may arise from the sale of the assets. An analytical note for the pattern of the reserve's formation is presented in note 12.1 of the Tangible Assets.

12.18 Debt Liabilities

The balance of the debt liabilities of the Group and the Company on 31/12/2015 and 31/12/2014 are analyzed as follows:

	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Long-term debt				
Bank debt	101,852,327	111,771,785	101,846,985	101,965,853
Total long-term debt	**101,852,327**	**111,771,785**	**101,846,985**	**101,965,853**
Short-term debt				
Contracts of debt based on joint account	10,974,348	23,614,632	10,965,191	4,952,197
Part of long-term loans payable in the following year	4,454,877	13,937,500	4,454,877	
Total short-term debt	**15,429,225**	**37,552,132**	**15,420,067**	**4,952,197**
Total debt	**117,281,552**	**149,323,917**	**117,267,052**	**106,918,050**

Based on the existing loan agreements of the Company and the Group, the maturity of the bank debt liabilities is depicted in the following tables:

Long-term Debt	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Between 2 and 5 years	48,157,911	54,393,316	48,152,569	44,587,384
Over 5 years	53,694,416	57,378,469	53,694,416	57,378,469
	101,852,327	**111,771,785**	**101,846,985**	**101,965,853**

FISCAL YEAR 2015	GROUP			
	Up to 1 year	**From 2-5 years**	**Over 5 years**	**Total**
Long-term Debt	0	48,157,911	53,694,416	101,852,327
Short-term Debt	10,974,348	0	0	10,974,348
Long-term Debt payable in the following year	4,454,877	0	0	4,454,877
	15,429,225	**48,157,911**	**53,694,416**	**117,281,552**

FISCAL YEAR 2014	GROUP			
	Up to 1 year	**From 2-5 years**	**Over 5 years**	**Total**
Long-term Debt	0	54,393,316	57,378,469	**111,771,785**
Short-term Debt	23,614,632	0	0	**23,614,632**
Long-term Debt payable in the following year	13,937,500	0	0	**13,937,500**
	37,552,132	**54,393,316**	**57,378,469**	**149,323,917**

FISCAL YEAR 2015	COMPANY			
	Up to 1 year	**From 2-5 years**	**Over 5 years**	**Total**
Long-term Debt	0	48,152,569	53,694,416	**101,846,985**
Short-term Debt	10,965,191	0	0	**10,965,191**
Long-term Debt payable in the following year	4,454,877	0	0	**4,454,877**
	15,420,067	**48,152,569**	**53,694,416**	**117,267,052**

FISCAL YEAR 2014	COMPANY			
	Up to 1 year	From 2-5 years	Over 5 years	Total
Long-term Debt	0	44,587,384	57,378,469	**101,965,853**
Short-term Debt	4,952,197	0	0	**4,952,197**
Long-term Debt payable in the following year	0	0	0	**0**
	4,952,197	**44,587,384**	**57,378,469**	**106,918,050**

The effective weighted average lending rate of the Company for the year 2015 settled at 4.5%.

The Management of the Company in collaboration with the credit institutions, and in a response to the high interest expressed by all institutional bodies with regard to the viability of the Aquaculture Sector (credit institutions, political leaders and other stakeholders), proceeded with the restructuring of the Company's bank debt obligations, following the relevant approval of the extraordinary General Meeting of shareholders dated on 11/09/2014.

In this context, on 31/12/2014, three (3) bond loan agreements, non-convertible into equity, were signed between the Company and the creditors – banks (Piraeus Bank, Alpha Bank, Eurobank-Ergasias, National Bank and Attica Bank), for a total nominal amount of € 110,000,000. The allocation of the above amounts minus the relevant expenses took place on 27/3/2015.

The terms of the bond loans of the parent Company are the following:

Bond Loan for total amount of €100,000,000

Bonds Series A: Amount of € 9,525,200 concerns the new loan granted to the Company based on the contract of Pre Mou in July 2013.

Bonds Series B: Amount € 88,074,800 concerns capital and loan interest from refinancing

Bonds Series C: Amount € 250,000 concerns interest of the first half capitalized from the first series of bonds for amount € 9.5 million.

Bonds Series D: Amount € 2,150,000 concerns interest of the first half capitalized from the second series of bonds for amount € 88 million.

The basic terms of the above bond loan are the following:

- Duration: 10 years
- Repayment in 18 semi-annual installments. The first installment will occur after 18 months, indicating a grace period of 1.5 years for the loan
- The interest rate is the six-month or three-month Euribor plus a spread of 4.25% plus a levy of 0.12%

Guarantees:

- Formation of a variable guarantee via the pledging of fish inventories until amount of € 80 million

- Formation of a pledge against the equipment (fish cages, etc.) of the aquaculture stations
- Pledging – granting of aquaculture licenses of the production units
- Pledging – granting of receivables from insurance contracts relating to the fish population and the other fixed assets which have been pledged
- Prenotation of mortgage (a' class) against the properties of the Company and its subsidiaries (apart from Perseus)
- Formation of a pledge against the shares of the subsidiaries owned by Selonda

Bond Loan for total amount of € 8,000,000 with the trade receivables as pledge

The basic terms of the above bond loan are the following:

- Duration: 5 years
- Lump-sum repayment at the end of the 5-year period
- The interest rate is the six-month or three-month Euribor plus a spread of 4.25% plus a levy of 0.12%

Guarantees:

- Pledging of the Company's receivables via a Factoring agreement held by the Company for a minimum amount of € million.
- The collected amounts of the granted and pledged receivables will be credited in a pledged bank account of the Company and will become available after the respective audit that the required level of pledged receivables is held. In case of lower receivables, amounts of the Company's cash collections will be blocked.

Bond Loan for total amount of € 2,000,000 with the receivables of VAT from the Greek State as pledge

The basic terms of the above bond loan are the following:

- Duration: 5 years
- Lump-sum repayment at the end of the 5-year period
- The interest rate is the six-month or three-month Euribor plus a spread of 4.25% plus a levy of 0.12%

Guarantees:

- Pledge of the Company's receivables from return of VAT from the Greek State at a minimum amount of € 2 million
- Receivables of VAT from the Greek State submitted to the pertinent tax authorities will be granted. At the payment of the VAT returns from the State, the corresponding amount will be credited to Selonda provided that the next VAT returns account for € 2 million.
- In case of an amount of VAT receivable of less than € 2.2 million, the difference will be covered through additional pledges of receivables.

The implementation of the restructuring significantly improved the equity position of the Company and the Group and at the same time reduced the bank debt, thus ensuring the long-term viability and the continuation of the business activities of the Company and the Group.

After the debt restructuring of the Company, the Creditor Banks proceeded with the lifting of the pledges against the shares of the parent company.

Furthermore, the Company came in an agreement with the Creditor Banks and proceeded with the allocation of short-term funds of € 4.5 million in order to purchase fish products from the company DIAS AQUACULTURE SA.

12.19 Employee Benefits Liabilities

According to the actuarial study based on IAS 19, the data derived are the following:

	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Liability of defined benefits	1,632,469	1,365,949	1,388,796	1,138,987
The change in the present value of the liability is as follows:				
Liability of defined benefits on 1st January	**1,365,950**	**1,036,036**	**1,138,987**	**825,785**
Current employment cost	120,785	107,242	90,503	90,531
Interest expense	28,899	28,902	22,780	28,902
Final benefits / Cutting effect / Settlement	164,343	5,000	164,343	5,000
Measurement - actuarial losses / (profit) from changes in demographic and financial assumptions	291,118	240,477	246,088	240,476
Additional payments or expenses / (income)	-8,100	0		0
Benefits paid	-273,905	-51,708	-273,905	-51,708
Prior service cost	-300,294	0		0
Liability of defined benefits on 31st December	**1,388,796**	**1,365,950**	**1,388,796**	**1,138,987**
The amounts recognized in the Statement of Income are:				
Current employment cost	120,785	107,242	90,503	90,531
Prior service cost	164,343	5,000	164,343	5,000
Net interest on the liability of benefits	28,899	28,902	22,780	28,902
Total expenses recognized in the Statement of Income	**314,027**	**141,145**	**277,626**	**124,433**
The amounts recognized in the other income of the Statement of Other Comprehensive Income are:				
Actuarial profit / (losses) from changes in demographic and financial assumptions	-246,088	-240,476	-246,088	-240,476
Total income / (expenses) recognized in the other comprehensive income	**-246,088**	**-240,476**	**-246,088**	**-240,476**
The effect of the changes of important actuarial assumptions are :				
	Discount Rate		**Discount Rate**	
	0.5%	**-0.5%**	**0.5%**	**-0.5%**
Increase / (decrease) in the liability of defined benefits	-97,216	111,104	-97,216	111,104
	Future increases in payroll		**Future increases in payroll**	
	0.5%	**-0.5%**	**0.5%**	**-0.5%**
Increase / (decrease) in the liability of defined benefits	111,104	-97,216	111,104	-97,216

The principal assumptions of the actuarial study are as follows:

	31/12/2015	31/12/2014
The major actuarial assumptions utilized for the valuation are the following:		
Discount rate of 31st December	2.0%	2.0%
Future increases in payroll	2.0%	2.0%
Inflation	2.0%	2.0%

The amended IAS 19 "Employee Benefits" was applied retroactively from the 1st of January 2012. Accordingly, the option of gradual recognition of actuarial gains and losses according to the "corridor method" was eliminated. Therefore, the actuarial gains and losses that arise in a fiscal year will be recognized fully and directly in the Statement of Comprehensive Income of the same year and therefore the possibility of a gradual recognition of them in the forthcoming Statements will no longer exist. Also, the former experience cost that arises from the year 2013 and onwards will be recognized fully and directly in the Income Statement of the period in which the change occurred.

Number of Employed staff

The number of employed staff for the Group and the Company is analyzed below:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Number of personnel	722	742	704	664

More specifically, the personnel per company of the Group is as follows:

	31/12/2015	31/12/2014
Company	704	664
Subsidiaries	18	78
Related / Affiliated	0	0
Total	**722**	**742**

The analysis per category is as follows:

Average number of personnel	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Day wage based	506	485	492	466
Salary based	216	257	212	198
TOTAL	**722**	**742**	**704**	**664**

The payroll cost of the Group and the Company is the following:

Amounts in €	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
Payroll and wages	12,753,956	12,115,775	11,273,513	10,934,445
Social security cost	2,668,518	2,660,469	2,457,266	2,461,180
Pensions of defined benefit plans	0	0	0	0
Pensions of defined contributions plans	0	0	0	0
Other personnel expenses	410,926	456,840	398,023	416,317
Provision for staff indemnity	554,846	95,531	554,846	95,531
Compensation for personnel release	10,000	16,695	10,000	0
Total personnel cost	**16,398,246**	**15,345,310**	**14,693,648**	**13,907,473**

12.20 Deferred Income

	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
Balance at the beginning of the year	1,784,788	2,044,321	1,784,788	2,044,321
New grants	459,519	335,769	459,519	335,769
Amortization of grants	-1,276,131	-595,302	-1,276,131	-595,302
Balance at the end of the year	**968,176**	**1,784,788**	**968,176**	**1,784,788**

The deferred income relates to the amounts of grants – subsidies with regard to investment programs. The amount of grants is depreciated on annual basis according to the depreciation rate of the subsidized fixed asset investments.

12.21 Trade and Other Suppliers

The balances of suppliers and other related liabilities of the Group and the Company are analyzed as follows:

	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
Suppliers	23,349,939	21,875,591	22,684,976	9,176,098
Trade liabilities to related parties	17,842,225	0	18,030,405	23,081,671
Customer advances	497,581	505,943	497,581	505,943
Checks payable to related parties	19,806,471	0	19,806,471	17,949,782
Checks payable	9,993,433	11,711,710	9,993,433	11,532,699
Total	**71,489,649**	**34,093,244**	**71,012,866**	**62,246,193**

12.22 Current tax liabilities

The outstanding amounts of the current tax liabilities of the Group and the Company are analyzed as follows:

	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
Tax expense corresponding to the period	0	17,382	0	0
Tax audit differences	266,813	24,492	73,350	24,492
Provisions for tax audit differences	577,265	561,217	577,265	427,265
Tax liabilities	1,098,881	454,563	988,440	300,327
Balance at the end of period	**1,942,960**	**1,057,654**	**1,639,055**	**752,084**

The tax unaudited financial years of the Group on 31.12.2015 are presented in note 15.

12.23 Other short-term liabilities

The outstanding amounts of the short-term liabilities of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Sundry creditors	128,075	1,592,796	181,487	254,313
Amounts payable to related parties	20,500	0	1,197,384	43,124
Personnel fees payable	720,335	680,655	720,335	680,655
Accrued expenses	1,052,161	1,635,361	733,523	1,366,383
Liabilities to pension funds from merged companies	638,716	877,288	638,716	750,934
Total	**2,559,786**	**4,786,100**	**3,471,444**	**3,095,409**

The increase of the item for the company is due to the liability which was generated from subsidiary company Aquanet SA for an amount of € 1.18 million. At the same time, there was a reduction of accrued expenses amounting to € 0.63 million and of liabilities to insurance organizations of € 0.112 million. The decrease of the item for the Group is by € 1 million due to the liability that was generated in the factoring account of Eurobank during the previous year and closed in the current year, and by € 0.58 million due to the reduction of the accrued expenses.

13. Turnover

The analysis of the Group's and Company's sales for 2015 and 2014 is as follows:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Sales of Biological Products	112,921,928	101,509,137	112,897,183	101,508,668
Sales of Sea Food	6,515,177	16,147,003	426,492	653,505
Sales of Merchandise and Other Inventories	29,253,044	17,986,602	27,051,825	15,689,340
Sales of Services	638	27,749	21,085	29,749
Total	**148,690,788**	**135,670,491**	**140,396,584**	**117,881,262**

The turnover of the Group for the financial year 2015 posted an increase by 9.6% and amounted to € 149 million versus € 136 million in the previous year, whereas the Company posted an increase of 19.10% with its turnover settling at € 140 million versus € 118 in the previous year. The change or growth compared to the previous year was attributed to: (a) the increase of the fish sale volumes by 2.59% to the level of 21,911 tons versus 21,358 tons in the previous year as well as the increase of the average sale price by 7.1%, (b) the increase of the fish fry sales to third customers by 79.25% in terms of volume and by 82.49% in terms of value and (c) the decrease in the fish food sales mainly of subsidiary company Perseus by 7% due to the termination of customers with significant liquidity problems.

13.1 Financial Cost - net

The balances of the particular accounts are depicted in the following table:

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Other credit interest	127,402	148,015	41,224	47,864
Dividends from investments available fc	0	13,858	0	0
Profit from valuation at fair	0	6,839,330	0	6,839,330
Income from valuation of participations	0	0	0	0
Income from derivatives	0	198,545	0	198,545
Balance at the end of year	**127,402**	**7,199,748**	**41,224**	**7,085,739**

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Interest & expenses of long-term liabilit	-4,847,726	0	-4,847,714	0
Interest & expenses of short-term liabil	-3,388,921	-10,187,687	-1,491,519	-7,546,811
Commissions on letters of guarantee	-10,373	-29,442	-10,373	-29,442
Other bank expenses	-47,764	-17,393	-45,944	-15,348
Interest expenses based on fixed rate	-49,600	-269,256	-49,600	-269,256
Interest expenses due to delay	0	-2,499,305	0	-2,499,305
Balance at the end of year	**-8,344,384**	**-13,003,083**	**-6,445,149**	**-10,360,162**

13.2 Other Income & Other Expenses

The balances of the Other Income / Expenses accounts are presented in the following table:

Other Operating Income	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Grants and other sales income	136,813	76,392	167,502	76,392
Income from non core activities	98,116	358,601	58,570	265,475
Credit foreign exchanges differences	185,913	164,344	185,913	164,344
Other extraordinary and non operating	6,001	364,835	0	359,235
Extraordinary profit	22,842	6,118	22,842	0
Income from utilization of provisions	203,558	0	37,631	0
Income from previous years	1,151,117	23,807	1,054,918	0
Balance at the end of year	**1,804,360**	**994,097**	**1,527,376**	**865,446**

Other Operating Expenses	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Extraordinary and non operating expen	-126,142	-90,338	-115,604	-386,014
Debit foreign exchange differences	-142,218	-1,140	-142,218	-1,140
Extraordinary losses	-638,681	-270,677	-638,618	-270,677
Expenses from previous years	-283,615	-4,300	-241,018	0
Provisions for doubtful receivables	-2,540,087	-1,068,057	-2,040,465	-1,068,057
Balance at the end of year	**-3,730,743**	**-1,434,512**	**-3,177,924**	**-1,725,888**

The increase of the operating income was due to the higher income from previous fiscal years by over € 1 million. The above increase was offset from the simultaneous decrease of other income and related activities, as well as the other extraordinary and exceptional items.

The increase of the operating expenses was due to the higher provisions for doubtful receivables.

14. Judicial or under arbitration differences

There are no judicial or under arbitration differences of the Company or/and the Group, or decisions by judicial or arbitration bodies that may have a significant effect on their financial position or operation.

15. Tax un-audited fiscal years

For the financial years 2011 up to 2013, the Company and the Group's companies whose operations are taxed in Greece, with the exception of Perseus subsidiary, have not accepted the tax audit by the Certified Auditors which is defined by the clauses of article 82 par. 5 L. 2238/1994 and are subject to the estimated by the law penalties. For the financial years 2011 up to 2014, tax compliance reports with the conclusion "without reservation" were issued for the subsidiary, at that time, Perseus SA which had been previously subject to the tax audit by the Certified Auditors defined by the clauses of article 82 par. 5 L. 2238/1994 and of article 65a paragraph 1 of Law 4174/2013.

For the fiscal year 2014, the Company and the Group's companies with income taxable in Greece, had initially accepted the tax audit of the Certified Auditors according to the article 65a of Law 4174/2013. The particular audit was completed and the relevant tax certificate was issued under the conclusion "without reservation – matter of emphasis". Specifically, there is reference to the fact that on 18/06/2015 a ministerial circular numbered 1124/2015 was issued according to which the societe anonyme companies with annual revenues below € 150 thousand are exempted from the tax audit of the Certified Auditors, despite the fact that the financial statements of these companies must be compulsorily audited. As a result, the assignment of the tax audit for the year 2014 of the companies AQUAVEST SA, POLEMARCHA EPIDAVROS SA, VILLA PRESIE SA and KATADYTIKA PARKA SA to the Certified Auditors was revoked, as the gross revenues of the above companies for the years 2015 and 2014 were lower than € 150 thousand.

The provisions of paragraph 1a of article 6 of the ministerial circular numbered 1159/2011 must be fulfilled in order the financial year 2011 become finalized for tax audit purposes. For the financial years 2012 and onward, and for the purposes of applying the relevant tax law, there is a random selection of cases for tax audit from a group of companies which have been audited from Certified Auditors and other auditing bodies. This tax audit is performed according to the clauses of article 26 of Law 4174/2013 as it is currently in effect. The particular audit may be implemented within the year in which the right of the Tax Administration to issue a tax determination act is in effect.

For the fiscal year 2015, the Group's Companies with activities taxable in Greece and with annual gross revenues above € 150 thousand, have accepted the tax audit of the Certified Auditors according to the article 65a of Law 4174/2013. The above audit is under progress and the relevant tax certificate is expected to be issued following the publication of the Financial Statements of the year 2015. If until the completion of the audit new tax liabilities arise, it is estimated that these will not have any material effect on the Financial Statements.

On 22/05/2015, the tax audit of the company INTERFISH AQUACULTURE SA was completed from the pertinent authorities concerning the periods 1/1/2007- 30/6/2011. The audit resulted into an additional income tax of €

34,519 as well as to other charges from indirect taxation (other taxes and duties) of € 366 thousand which were offset on equivalent basis with an income tax return that derived from the above mentioned tax audit.

On 19/11/2015, the tax audit of the company FARDONISIA AQUACULTURE SA was completed from the pertinent authorities concerning the financial year of 2010. The audit resulted into an additional income tax of € 29,251 as well as to other charges from indirect taxation (other taxes and duties) of € 35,101.

On 11/03/2016, the tax audit of the company AQUAVEST SA was completed from the pertinent authorities concerning the financial years 1998-1999. The audit resulted into an additional income tax of € 130,065 as well as to other charges from indirect taxation (other taxes and duties) of € 63,843.

For the tax unaudited financial years there is a possibility that additional taxes and surcharges may be imposed when such years are audited and finalized. The amount of provisions, for tax audit differences, recognized by the Company and Group in their financial statements for tax differences, corresponds to € 577 thousand.

The following table presents the tax un-audited fiscal years of the Group's companies:

COMPANY	DOMICILE	Tax un-audited fiscal years
SELONDA AQUACULTURE A.E.G.E.	30 Navarchou Nikodimou Str, Athens	2008-2013
ECHINADES AQUACULTURE SA	30 Navarchou Nikodimou Str, Athens	2010-2011
FARADONISIA AQUACULTURE SA	30 Navarchou Nikodimou Str, Athens	2011
FISH FILLET SA	30 Navarchou Nikodimou Str, Athens	2010-2011
RHODES AQUACULTURE AGEE	Zevgolatio, Corinth	2010
EVOIKOS SEA AQUACULTURE SA	Zevgolatio, Corinth	2010
AQUAVEST S.A.	30 Navarchou Nikodimou Str, Athens	2003-2015
AQUANET S.A.	30 Navarchou Nikodimou Str, Athens	2012-2015
POLEMARHA EPIDAVROS S.A.	30 Navarchou Nikodimou Str, Athens	2010-2015
VILLA PRESIE SA	30 Navarchou Nikodimou Str, Athens	2010-2015
DIVING PARKS SA	30 Navarchou Nikodimou Str, Athens	2010-2015
INTERNATIONAL AQUA TECH LTD	North Linconshire, WALES	-
POAY ARGOLIDAS-ARKADIAS SA	Kranidi-Ermionida, C. Argolida	2015
POAY KORINTHIAS SA	Sofiko-Solygeia, C. Korinthia	2015
PERSEUS SPECIAL NUTRITION	Zevgolatio, Corinth	2009-2010
SOUTH EVIA JOINT VENTURE I	30 Navarchou Nikodimou Str, Athens	2010-2015
MARMARI JOINT VENTURE	30 Navarchou Nikodimou Str, Athens	2011-2015
BLUEFIN TUNA HELLAS S.A.	409 Vouliagmeni Ave, Ilioupoli	2011-2015
ASTRAIA AEBE	11 Pylarinou St., Corinth	2010-2015

16. Commitments-Contingent liabilities

The Group and the Company had signed on 31/12/2015 agreements regarding the operating leasing of real estate and vehicles which expire in different dates up to 2035.

The future minimum payments for operating lease rent for vehicles and real estate based on non-voidable operating leasing agreements have for the Group and the Company as follows:

Commitments	GROUP		COMPANY	
Commitments from operating	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Within 1 year	627,097	619,663	627,097	619,663
Between 1 year and up to 5	1,435,078	1,219,831	1,435,078	1,219,831
Over 5 years	816,974	349,885	816,974	349,885
Total commitments from operating	**2,879,148**	**2,189,379**	**2,879,148**	**2,189,379**
Guarantees	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Guarantees to third parties on behalf	0	0	0	0
Guarantees of good execution	136,033	140,941	136,033	140,941
Notes receivable as guarantee for the e	285,590	288,290	285,590	285,590
Guarantees for the repayment of subsic	0	0	0	0
Guarantees for the repayment of trade	187,708	205,292	187,708	187,708
Third party guarantees for receivables	0	6,022	0	0
Checks/Notes receivable as guarantee f	0	418,800	0	0
Other guarantees	0	427,737	0	0
Other guarantees of third parties for ins	0	84	0	0
Total guarantees	**609,332**	**1,487,166**	**609,332**	**614,239**
Guarantees of discontinued activities				
Collaterals	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Mortgages	84,495	28,084,495	84,495	84,495
Pledged equipment	5,000,000	5,000,000	5,000,000	5,000,000
Pledged fish population	80,000,000	80,000,000	80,000,000	80,000,000
Total collaterals	**85,084,495**	**113,084,495**	**85,084,495**	**85,084,495**

17. Transactions with related parties

The transactions of the company with the Group's subsidiaries and affiliates are as follows:

	GROUP		COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Inflows				
Parent	0	0	0	0
Subsidiaries	0	0	83,710	10,785
Related	235,366	100,155	235,366	100,155
BoD members and executive directors	59	0	59	0
Joint ventures	0	0		0
Other related parties	45,085	1,330	45,085	1,330
Total	**280,510**	**101,485**	**364,220**	**112,270**

	GROUP		COMPANY	
Outflows	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Parent	0	0	0	0
Subsidiaries	0	0	43,920,744	45,807,609
Related	4,983,794	36,779	4,983,794	36,779
BoD members and executive directors	1,890,300	3,069,750	868,465	1,213,817
Joint ventures	0	0	0	0
Other related parties	283,520	264,000	283,520	264,000
Total	**7,157,614**	**3,370,530**	**50,056,524**	**47,322,205**

Receivables	GROUP 31/12/2015	31/12/2014	COMPANY 31/12/2015	31/12/2014
Parent	0	0	0	0
Subsidiaries	0	0	1,394,620	390,633
Related	393,839	108,228	393,839	108,228
BoD members and executive directors	0	0	0	0
Joint ventures	493,264	250,479	493,264	250,017
Other related parties	213,758	4,871	213,758	4,871
Total	**1,100,860**	**363,578**	**2,495,480**	**753,749**

Liabilities	GROUP 31/12/2015	31/12/2014	COMPANY 31/12/2015	31/12/2014
Parent	0	0	0	0
Subsidiaries	0	0	181,058	41,031,453
Related	37,589,756	22,243	37,589,756	16,665
BoD members and executive directors	82,911	144,979	82,911	133,342
Joint ventures	20,841	1,491,814	20,841	1,491,814
Other related parties	148,864	87,948	148,864	93,527
Total	**37,842,373**	**1,746,984**	**38,023,431**	**42,766,800**

Transactions with BoD members and e	GROUP 31/12/2015	31/12/2014	COMPANY 31/12/2015	31/12/2014
Parent	1,890,300	1,213,817	868,465	1,213,817
Subsidiaries	51,515	1,855,933	51,515	0
Related	0	0		0
Joint ventures	0	0		0
Other related parties	0	0		0
Total	**1,941,815**	**3,069,750**	**919,980**	**1,213,817**

	GROUP 31/12/2015	31/12/2014	COMPANY 31/12/2015	31/12/2014
INFLOWS				
To subsidiaries	0	0	83,710	10,785
To other related parties	280,510	101,485	280,510	101,485
	280,510	**101,485**	**364,220**	**112,270**
OUTFLOWS				
To subsidiaries	0	0	43,920,744	45,807,609
To other related parties	7,157,614	3,370,530	6,135,779	1,514,596
	7,157,614	**3,370,530**	**50,056,524**	**47,322,205**
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
RECEIVABLES				
To subsidiaries	0	0	1,394,620	390,633
To other related parties	1,100,860	363,578	1,100,860	363,116
	1,100,860	**1,997,851**	**2,495,480**	**1,056,220**
LIABILITIES				
To subsidiaries	0	0	181,058	41,031,453
To other related parties	37,842,373	1,746,984	37,842,373	1,735,347
	37,842,373	**3,317,979**	**38,023,431**	**42,766,800**
BENEFITS - BALANCES TO THE MANAGEMENT				
Transactions and remuneration of managem	1,890,300	3,069,750	868,465	1,213,817
Receivables from management members	0	0	0	0
Liabilities to management members	82,911	144,979	82,911	133,342

The transactions towards the subsidiaries refer to sales of fry, fishes and fish food while towards the affiliated companies it refers to sales of fish fry and rents of premises.

The Company's transactions with the banks – shareholders are the following:

Period 01.01.2015- 31.12.2015	**Amount**
INFLOWS	6,160,991
OUTFLOWS	32,192
RECEIVABLES	5,802,225
LIABILITIES	123,845,002

Finally the transactions, (remuneration) of the senior executives and the BoD members of the Group's companies for the financial year 2015 were € 1.9 million compared to € 3.1 million in the previous year.

Period 01.01.2015- 31.12.2015	**Group**	**Company**
Payroll fees, other benefits	797,965	797,965
attendance fees of BoD members	1,092,335	70,500
	1,890,300	**868,465**

Period 01.01.2014- 31.12.2014	**Group**	**Company**
Payroll fees, other benefits	198,133	198,133
attendance fees of BoD members	2,871,618	1,015,684
	3,069,750	**1,213,817**

The Company has not granted loans, guarantees or credit to its senior staff and executives, and the other entities of paragraph 5, article 23a of P.L. 2190/1920.

18. Income Tax

Income tax, as well as deferred tax, have been calculated on the earnings before taxes of the Company or each Group's subsidiary, and are analyzed as follows for the Group and the Company respectively:

	GROUP Amounts in €		COMPANY Amounts in €	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Current tax expense	-1,151,385	-934,685	0	0
Tax audit differences	-378,727	0	-184,519	0
Deferred tax of results	373,204	-389,316	-62,556	-783,878
Tax audit differences	0	0	0	0
Provision for income tax	0	0	0	0
Other taxes	0	0		0
....				
Total income tax from continued	**-1,156,909**	**-1,324,000**	**-247,075**	**-783,878**
Earnings before taxes (from continued	-10,350,179	5,591,194	-4,148,643	2,063,426
Tax Rate	29%	26%	29%	26%
Expected Tax Expense	**-3,001,552**	**1,453,710**	**-1,203,106**	**536,491**
Adjustments for income that are not				
- Tax free income	0	0	0	0
- Offsetting due to accumulated losses		-6,216		0
- Tax corresponding to the tax-free		0		0
- Additional taxes and surcharges of		0		0
- Year's losses for which no deferred tax		-2,232,786		(2,140,164)
- Dividends or earnings from participations		0		0
Other items		0		0
Adjustments for expenses that are				
- Impairment of goodwill				
- Non deductible expenses		126,102		407,180
- Effect from changes of tax rate				
- Previous years' tax differences				
- Tax corresponding to distribution of				
- Other expenses that are not tax				
- Additional taxes and surcharges				
- Granting of stock options to personnel				
- Additional property tax				
- Change due to revaluation of assets		0		0
- Extraordinary levy		0		0
- Tax 27/75		0		0
- Effect from differences of tax rates of		0		0
- Other		-20,755		(23,574)
Total tax from continued and	**-3,001,551.84**	**-679,944.56**	**-1,203,106**	**-1,220,067**

19. Earnings per share

Earnings / (losses) per share were calculated according to the allocation of earnings after taxes and non-controlling interests to the weighted average number of share.

For the Group:

Earnings per share from Continued	**31/12/2015**	**31/12/2014**
Attributable to owners of the parent	-12,659,147	4,783,591
Number of shares	37,616,006	37,616,006
Earnings per share	-0.3365	0.1272

For the Company:

	31/12/2015	31/12/2014
Earnings per share from Continued Activities		
Earnings for the period to the company	-4,395,718	3,283,494
Number of shares	37,616,006	37,616,006
Earnings per share	-0.1169	0.0873

20. Fair value measurement

The Group utilizes the following hierarchy to determine and disclose the fair value of the financial instruments per valuation technique:

Level 1: Trading prices in active markets concerning similar assets or liabilities

Level 2: Valuation techniques in which all inflows that have significant influence on the recorded fair value are directly or indirectly observable.

Level 3: Techniques which utilize inflows that have significant influence on the recorded fair value and are not based on observable data from the market.

The Group on 31/12/2015, owned "Investments held for Trading Purposes", consisting of shares listed on the Athens Exchange. The value of these shares on 31/12/2015 stood at € 51.6 thousand. These financial assets are valued at fair and categorized into level 1 according to their valuation technique.

The fair value of the following financial assets and liabilities of the Group and the Company approaches their book value:

- Trade receivables
- Other receivables and advances
- Trade and other creditors
- Debt / Bank liabilities
- Cash and cash equivalents

The following table presents the classification based on levels of the non financial assets of the Group measured at fair value on continuing basis as of 31/12/2015 and 31/12/2014.

Amounts in €	Level 1	Level 2	Level 3	Total
	Measurement at fair value at the end of the reporting period 31/12/2015			
Tangible Assets				
Land plots			2,231,301	**2,231,301**
Buildings and installations			12,993,906	**12,993,906**
Machinery			12,257,760	**12,257,760**
Transportation means			3,331,233	**3,331,233**
Investment Property				
Property in Greece	-	0	9,002,000	**9,002,000**
Biological Assets				
Fish Fry		13,696,584		**13,696,584**
Fish 0-340			63,426,917	**63,426,917**
Fish 340+		46,454,803		**46,454,803**
Total Non Financial Assets	**-**	**60,151,387**	**103,243,117**	**163,394,504**

Measurement at fair value at the end of the previous reporting period 31/12/2014

Amounts in €	Level 1	Level 2	Level 3	Total
Tangible Assets				
Land plots			4,359,500	**4,359,500**
Buildings and installations			17,785,952	**17,785,952**
Machinery			17,089,881	**17,089,881**
Transportation means			3,630,212	**3,630,212**
Investment Property				
Property in Greece	0	0	11,392,000	**11,392,000**
Biological Assets				
Fish Fry		14,716,689		**14,716,689**
Fish 0-200			28,835,902	**28,835,902**
Fish 200+		62,430,330		**62,430,330**
Total Non Financial Assets	**0**	**77,147,019**	**83,093,448**	**160,240,467**

The fair value of the investment property of the Group has been estimated by independent Appraiser on 31/12/2015.

The valuation of properties prepared via the comparative method were based on the collection of data either from real and recent transfers of similar properties in the particular geographic area or through a survey of the property market in collaboration with real estate brokers and via comparison of the collected data with the subject property. In the case of land plots which demonstrate investment interest, the Residual Income method was utilized in order to determine the value of the land. With this method, the value of the vacant (non-constructed) land was calculated based on a hypothetical building construction scenario, according to which the constructed building would have the use and characteristics prevailing in the area where the subject, to be valued, land is located.

The revaluation date was set on December 31st, 2015, and the fair values were based on the valuations prepared by independent valuator.

The assumptions utilized for the determination of the fair value of properties are analyzed below:

Significant Assumptions	Range
Sale price as €/m^2 – Land plots	€ 14.43 – 171.23
Reconstruction cost as €/m^2 - Buildings	€ 550 – 1,100

With regard to the financial assets and liabilities which are recognized in the financial statements on permanent basis, the Group defines whether there have been changes on the hierarchy levels through the new evaluation and categorization (according to the data of the lowest level which are significant for the measurement of the fair value as a total) at the end of each reporting period.

21. Risk Management Policy

Aims and policies of risk management

The Group's activities create several financial risks, including exchange rate risk, interest rate risk, and credit and liquidity risk. The Group's Management, through risk management departments, aims at minimizing the potential adverse effects on its financial results that may result from the inability to forecast financial markets and the volatility of cost and sales variables. The group does not perform speculative transactions or transactions that are not related to its commercial, investment or operating activities.

The financial instruments used by the Group mainly consist of bank deposits, loans, transactions in foreign currency in the spot market or through forward FX contracts, bank accounts receivable and payment, investments in securities and liabilities that result from financial leasing contracts.

Liquidity risk

Liquidity risk is linked to the need for adequate and timely financing of the Group's activity and growth. Prudent management of liquidity risk requires adequacy of cash & cash equivalents and the existence of necessary available financing resources.

The extended economic crisis in Greece over the past years, the liquidity crisis in the banking sector and the economy in general created liquidity issues for the Group, despite the fact that its products are exported by 90%. The basic reasons that intensified the liquidity issues over the past years are the delay in VAT rebate payments by the Greek State, the reduction of credit limits by suppliers and the reduction of the repayment time of liabilities.

The Group, aiming at all times at the smooth operation of its companies and also at the largest possible liquidity, was the first corporate entity that submitted a request to restructure its bank debt, as well as its short-term credit lines, and finally implemented the respective restructuring plan.

The Group manages its liquidity needs on a daily basis and systematically monitors the maturity of both the receivables and the liabilities, with the objective to ensure sufficient working capital and achieve a smooth business operation.

On 31/12/2014, the Company completed the relevant entries for the conversion of its entire bank debt according to the new agreements following the restructuring and currently the short-term liabilities of the Company are fully covered by its current assets.

Due to the implemented bank debt restructuring within the year 2014, the Company achieved a time extension in the repayment of the majority of its bank debt, which is indirectly equivalent with additional working capital for the Company.

The analysis of Group's liabilities during the financial year 2015 is presented in the following table following the recently implemented bank debt restructuring:

Group					
Maturity of Liabilities	**0 to 6 months**	**6 months - 1 year**	**2 years - 5 years**	**Over 5 years**	**Total**
Long-term loans	0	0	48,152,569	53,694,416	101,846,985
Short-term loans	3,317,093	7,648,098	0	0	10,965,191
Long-term loans payable in the following year	0	4,454,877	0	0	4,454,877
Suppliers and other liabilities	61,422,591	10,067,058	0	0	71,489,649
	64,739,684	**22,170,033**	**48,152,569**	**53,694,416**	**188,756,702**

Borrowing – Interest Rate Risk

Due to the implemented bank debt restructuring, the Group confined to the lowest possible level its risk exposure against changes of interest rates, since the entire bank debt was converted into long-term debt which is subject to a floating rate based on Euribor plus a spread of 4.25%. Therefore the only risk exposure for the Group is the floating rate of borrowing (six-month or three-month Euribor).

The following table presents the sensitivity of the period's results and equity of the Group to a reasonable change in interest rates by +1% or –1% (2014-2015: +1% or -1%).

	31.12.2015	**31.12.2014**
Results for the year (+/-)	1,172,816	1,575,107
Equity (+/-)	832,699	1,165,579

Foreign Exchange Risk

The Group no longer has participations with commercial transactions and activity in countries other than the European Union, and therefore there is no significant risk from changes in exchange rates. The Group mainly operates in the European Union market with transactions primarily in euro, and as a result foreign exchange risk on receivables and liabilities from its activity is negligible. Apart from euro, the group has receivables from sales in America and England.

The amounts of other transactions in foreign currency are very small and do not affect the Company's and Group's financial statements.

We assume that as of 31 December 2015, a change in the exchange rate Euro / Foreign Currency occurs of the magnitude of +/-10%. The sensitivity analysis is based on the financial instruments in foreign currency held by the Group for each reporting period.

The financial assets and the respective liabilities in foreign currency, converted into Euro, according to the closing price are analyzed as follows:

	31/12/2015						31/12/2014					
	31/12/2015	CHF	JPY	NOK	DKK	USD	GBP	CHF	JPY	NOK	DKK	USD
Nominal Amounts												
Financial Assets	943,760	12,828	4	-	-	1,233,171	635,087	7,798	223	-	470	610,457
Financial Liabilities	(30,995)		(23,280)	-	-	(6,023)	(28,496)	(18,896)	(8,088)	(387)	-	(5,394)
Short-term exposure	**912,765**	**12,828**	**(23,276)**	**-**	**-**	**1,227,148**	**606,591**	**(11,098)**	**(7,865)**	**(387)**	**470**	**605,064**

The following table presents the sensitivity of the results and the shareholders' equity with respect to:

	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
	31/12/2015											
	GBP		CHF		JPY		NOK		DKK		USD	
Result for the year (before taxes)	178,239	467,251	(23,632)	(26,492)	1,990	(2,663)	(331)	(405)	426	521	(177,986)	56,265
Equity	244,987	629,482	(23,632)	(26,492)	1,990	(2,663)	(331)	(405)	426	521	(177,986)	56,265

	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
	31/12/2014											
	GBP		CHF		JPY		NOK		DKK		USD	
Result for the year (before taxes)	52,813	142,369	(18,690)	(20,932)	851	(8,742)	(352)	522	427	522	(42,294)	68,236
Equity	87,947	106,771	(18,690)	(20,932)	851	(8,742)	(352)	522	427	522	(42,294)	68,236

Credit Risk

The Group does not have a significant concentration of credit risk with any of its counterparties. Credit risk mainly emanates from cash & cash equivalents, financial derivatives and deposits in banks and financial institutions, as well as from exposure to credit risk from customers.

For its trade and other receivables the Group is not exposed to significant credit risk. Due to the large dispersion of its clientele, there is no significant concentration of credit risk as regards to its trade receivables as such are allocated among a large number of customers. The Group monitors its trade receivables through the Credit Control division and ensures their collection through credit insurance contracts, as well as through withholding ownership of the sold products (fish fry). There are no significant risks for the non-collection of receivables given that the company and Group have applied strict evaluation processes with criteria that minimize risk. The Group's exposure to credit risk is limited to financial assets which during the date of the Statement of Financial Position are analyzed as follows:

Categories of Financial Risks	**31/12/2015**	**31/12/2014**
Cash & cash equivalents	6,515,889	18,727,765
Trade and other receivables	31,120,402	42,352,276
Total	**37,636,291**	**61,080,041**

To minimize credit risk on cash & cash equivalents, as well on other short-term financial products, the Group set limits on its exposure and trades only with recognized high credit rating financial institutions.

Policies and procedures of capital management

The Company's objectives as regards to its capital management are the following:

- to ensure the Company's ability to continue its activity
- to ensure a satisfactory return for its shareholders
- to price products and services according to the relevant risk level

The Company monitors its capital on the basis of its equity plus subordinated loans minus cash & cash equivalents as such are presented in the Statement of Financial Position.

	GROUP		**COMPANY**	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Total Equity	3,606,105	22,953,129	15,077,592	14,253,701
Less : Cash and cash equivalents	-6,515,889	-18,727,765	-5,817,303	-13,327,180
Capital	**-2,909,783**	**4,225,364**	**9,260,289**	**926,521**
Total Equity	3,606,105	22,953,129	15,077,592	14,253,701
Plus : Bank Debt	112,826,675	157,510,743	112,812,175	115,104,876
Total Capital	**116,432,780**	**180,463,872**	**127,889,767**	**129,358,577**
Capital / Total Capital	**-0.02**	**0.02**	**0.07**	**0.01**

22. Events after the Statement of Financial Position date

Within March 2016, the Multi-Member First Instance Court of Athens ratified through a relevant decision the absorption of Dias Aquaculture from the Company based on the contents of note 9.2. The exchange rate has been defined and the respective valuation has been prepared by the company Ernst & Young SA.

Apart from the above events noted in the current report, there are no significant events after the end of the fiscal year ended on 31st of December 2015, that refer to the Group or the Company and they should be mentioned, according to the International Financial Reporting Standards (IFRS).

Athens 31 March 2016

The President of the BoD	The Vice-President & Managing Director	The Finance Director
Athanasios Skordas	Michael Panagis	Thomas Hasiotis
ID No. Σ 138988	ID No. AH 064586	ID No. AI 009452

H. Online availability of Financial Information

The annual financial statements of the Company, the audit report by the Certified Auditor and the Board of Directors Management Report for the financial year ended on 31 December 2015 have been posted on the Company's website http://www.selonda.com or http://www.selonda.gr .