



**ANNUAL FINANCIAL STATEMENTS
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
THAT HAVE BEEN ADOPTED BY THE EUROPEAN UNION**

MANAGEMENT REPORT of THE BOARD OF DIRECTORS

AUDITOR'S REPORT

FOR THE YEAR 1 JANUARY - 31 DECEMBER 2018

**FOR THE COMPANY
OFC AVIATION FUEL SERVICES S.A.**

G.E.M.I.: 3082801000

Registration Nr.: 41340/04/B/01/107(1)

Headquarters: 5th Km Spata -Loutsa Road, 190 19 Spata Attica

MARCH 2019

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The Financial Statements, set out on pages 3 to 30 were approved at the meeting of the company's Board of Directors on 28 March 2019 and are subject to the approval of the Annual Ordinary General Meeting of Company Shareholders.

**THE CHAIRMAN
of the
BOARD OF DIRECTORS**

VASSILIOS TSIATOURAS
ID No.: AN 590404

MANAGING DIRECTOR

NIKOLAOS KONTAXIS
ID No.: AB 594320

FINANCIAL MANAGER

PETROS KATROS
ID No.: AM 638650
Lic.No OEE 2830/ A' CLASS

OFC AVIATION FUEL SERVICES S.A.
Financial Statements for the year ended on 31 December 2018

**Statement of Profit or Loss and Other Comprehensive Income for the year ended
31 December 2018**

<u>Amounts in Euro</u>	NOTE	<u>1.1.2018- 31.12.2018</u>	<u>1.1.2017- 31.12.2017</u>
Turnover	4	9.987.948,82	9.674.429,37
Cost of Sales		<u>(7.280.575,65)</u>	<u>(6.660.561,52)</u>
Gross Profit		2.707.373,17	3.013.867,85
Administrative expenses		(1.351.363,61)	(1.107.120,74)
Other Operating Revenue/(Expenses)	5	<u>2.139.069,86</u>	<u>12.184,01</u>
Profit from operations		3.495.079,42	1.918.931,12
Investment Income	7	18.237,15	18.683,64
Finance Costs	8	<u>(21.087,46)</u>	<u>(38.776,40)</u>
Profit before taxes		3.492.229,11	1.898.838,36
Income tax	9	<u>(1.028.936,11)</u>	<u>(560.934,61)</u>
Profit after tax		<u>2.463.293,00</u>	<u>1.337.903,75</u>
Earnings per share			
Basic and diluted in €	24	<u>10,78</u>	<u>5,85</u>
Other Comprehensive Income			
Items that will not be re-classified			
subsequently to profit or loss:			
Actuarial gains/(losses) on defined benefit plans	27	292,69	(40.757,16)
Tax on items that will not be re-classified	9	<u>(84,88)</u>	<u>11.819,58</u>
		<u>207,81</u>	<u>(28.937,58)</u>
Total comprehensive income		<u>2.463.500,81</u>	<u>1.308.966,17</u>

The attached notes mentioned on pages 7 to 30 are an integral part of these Financial Statements.

OFC AVIATION FUEL SERVICES S.A.
Financial Statements for the year ended on 31 December 2018

Statement of Financial Position on 31 December 2018

<u>Amounts in Euro</u>	NOTE	<u>31.12.2018</u>	<u>31.12.2017</u>
Assets			
Intangible assets	11	5.754.872,08	7.579.043,38
Tangible assets	12	80.122,15	50.987,72
Deferred taxes	17	64.987,45	577.536,84
Other non-current assets	13	<u>14.195,92</u>	<u>14.805,00</u>
Total Non-Current Assets		<u>5.914.177,60</u>	<u>8.222.372,94</u>
Current assets			
Income Tax		65.900,86	2.397,26
Trade receivables and other current assets	14	270.480,98	258.984,91
Cash and Cash Equivalents	15	<u>11.482.081,43</u>	<u>11.892.414,09</u>
Total Current Assets		<u>11.818.463,27</u>	<u>12.153.796,26</u>
Total assets		<u>17.732.640,87</u>	<u>20.376.169,20</u>
Total Non-Current Assets			
Provisions for retirement benefit obligations	27	<u>271.105,86</u>	<u>270.533,15</u>
Total Non-Current Liabilities		<u>271.105,86</u>	<u>270.533,15</u>
Current Liabilities			
Suppliers and other creditors	18	1.106.235,05	1.019.241,70
Provisions	19	0,00	2.070.514,20
Bank loans	16	0,00	1.676.206,00
Total Current Liabilities		<u>1.106.235,05</u>	<u>4.765.961,90</u>
Total Liabilities		<u>1.377.340,91</u>	<u>5.036.495,05</u>
Equity			
Share Capital	20	6.708.999,10	6.708.999,10
Reserves	21	1.475.035,60	1.350.373,94
Retained Earnings	22	<u>8.171.265,26</u>	<u>7.280.301,11</u>
Total Equity		<u>16.355.299,96</u>	<u>15.339.674,15</u>
Total Equity and Liabilities		<u>17.732.640,87</u>	<u>20.376.169,20</u>

The attached notes mentioned on pages 7 to 30 are an integral part of these Financial Statements.

OFC AVIATION FUEL SERVICES S.A.
Financial Statements for the year ended on 31 December 2018

Statement of Changes in Equity for the year ended 31 December 2018

<u>Amounts in Euro</u>	Share Capital	Reserves	Retained Earnings	Total
Balance at 01.01.2017	6.708.999,10	1.284.097,25	7.481.771,63	15.474.867,98
Profits for the year			1.337.903,75	1.337.903,75
Dividends			(1.444.160,00)	(1.444.160,00)
Other comprehensive income			(28.937,58)	(28.937,58)
Transfer of reserves (from distribution)		66.276,69	(66.276,69)	0,00
Balance at 31.12.2017	6.708.999,10	1.350.373,94	7.280.301,11	15.339.674,15
Profit for the year			2.463.293,00	2.463.293,00
Dividends			(1.447.875,00)	(1.447.875,00)
Other comprehensive income			207,81	207,81
Transfer of reserves (from distribution)		124.661,66	(124.661,66)	0,00
Balance at 31.12.2018	6.708.999,10	1.475.035,60	8.171.265,26	16.355.299,96

The attached notes mentioned on pages 7 to 30 are an integral part of these Financial Statements.

OFC AVIATION FUEL SERVICES S.A.
Financial Statements for the year ended on 31 December 2018

Statement of Cash Flows for the year ended 31 December 2018

<u>Amounts in Euro</u>	NOTE	<u>1.1 -31.12.2018</u>	<u>1.1 -31.12.2017</u>
<u>Operating Activities</u>			
Profits before tax		3.492.229,11	1.898.838,36
Plus / (less) adjustments for:			
Depreciation	6	1.952.193,02	1.919.254,04
Provisions		(2.069.648,80)	67.535,48
Investment income (revenue, expenses, profit or loss)		(14.665,72)	(18.681,57)
Interest and related expenses		21.087,46	38.776,40
Plus / (less) adjustments for changes in working capital accounts relating to operating activities:			
Decrease/ (increase) in receivables		(11.002,55)	(5.457,08)
(Decrease)/increase in payables (excluding borrowings)		87.237,91	197.135,56
Less:			
Interest and related expenses paid		(21.332,02)	(39.412,25)
Taxes paid		(579.975,20)	(275.958,61)
Net Cash from Operating Activities (a)		<u>2.856.123,21</u>	<u>3.782.030,33</u>
<u>Investing Activities</u>			
Purchasing of tangible and intangible assets		(160.727,58)	(42.412,83)
Interests received		18.352,71	18.857,47
Net Cash used in Investing Activities (b)		<u>(142.374,87)</u>	<u>(23.555,36)</u>
<u>Financing Activities</u>			
Repayment of Borrowings		(1.676.206,00)	(1.676.183,00)
Dividends paid	10	(1.447.875,00)	(1.444.160,00)
Net cash used in financing activities (c)		<u>(3.124.081,00)</u>	<u>(3.120.343,00)</u>
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)		<u>(410.332,66)</u>	<u>638.131,97</u>
Cash and cash equivalents beginning of the year		<u>11.892.414,09</u>	<u>11.254.282,12</u>
Cash and cash equivalents end of the year		<u>11.482.081,43</u>	<u>11.892.414,09</u>

The attached notes mentioned on pages 7 to 30 are an integral part of these Financial Statements.

Notes to the Financial Statements for the year ended 31 December 2018

1. General Information

OFC Aviation Fuel Services S.A. with trade name "OFC", is a public Company (Société Anonyme) that was established on October 6, 1998 (by Decision of the Athens Prefecture No 27443/98-Government Gazette Issue Sociétés Anonymes and Limited companies 8013/9.10.1998) with duration 24 years, and governed by Commercial Legislation (Codified Law 2190/1920).

Seat of the Company is the Municipality of Spata, 5th Km Spata-Loutsa Road.

Registration Nr.: 41340/04/B/01/107(1)/Athens Prefecture, Eastern Sector.

G.E.MI. Nr.: 3082801000 / G.E.MI. Department- Athens Chamber of Commerce and Industry

The Company's Financial Statements have been uploaded at the Company's web site address: www.ofc.gr

The Company is associated through participation in its share capital with the companies:

AVIN OIL AVENEP

MOTOR OIL HELLAS S.A.

SKYTANKING NV

HANSACONSULT GmbH

The scope of the Company is planning, financing constructing and operating the aircraft refueling system and storage installations of the New Athens International Airport "Eleftherios Venizelos" in Spata - Attica as well as all relevant activities.

The Company's proceeds mainly come from the transportation of aviation fuel at Athens International Airport, via the underground pipeline system (HYDRANT).

The amounts in the Financial Statements and the Notes are expressed in Euro unless otherwise stated.

The number of personnel employed by the Company on 31 December 2018 was 22 persons (2017: 22 persons).

The company is audited by Chartered Accountants. By decision of the General Assembly of Shareholders on 26 April 2018, the audit for the year ended on 31 December 2018 was undertaken by Deloitte S.A.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs)

New standards, amendments of existing standards and interpretations: Specifically, new standards, amendment to existing standards and interpretations have been issued, which are mandatory for accounting periods beginning on or after 1 January 2018. Those that are expected to have an impact on the Company are listed below.

2.1 Standards and Interpretations mandatory for Fiscal Year 2018

Impact of Adoption of IFRS 9 "Financial Instruments"

This note explains the impact of the adoption of IFRS 9 "Financial Instruments" on the Company's financial statements and discloses the new accounting policies that have been applied from 1 January 2018, where they are different to those applied in prior periods. The new accounting policies are included in note 3.11.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

a) Changes in accounting policies

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities.

In particular, IFRS 9 provides the following for the Classification and Measurement of Financial Assets:

Classification of Financial Assets

IFRS 9 introduces a comprehensive classification model based on which the financial assets are classified into three categories:

- Financial assets at Amortized Cost
- Financial Assets at Fair Value through Other Comprehensive Income (“FVTOCI”)
- Financial Assets at Fair Value through Profit or Loss (“FVTPL”)

Financial assets that give rise to cash flows, consisting only of payments of principal and interest, are classified by taking into account the business model for holding these instruments. Financial assets that are held in a business model with the objective to hold them until maturity and collect the contractual cash flows, are measured at amortized cost. If the business model comprises the intention to hold the financial assets to collect the contractual cash flows but expects to sell these financial assets when this is necessary (e.g. to fulfill a specific need for liquidity), then these instruments are measured at FVTOCI.

Financial assets that contain cash flows other than those of principal and interest, such as interests in money-market funds or derivatives including separated embedded derivatives, are measured at FVTPL. However, especially for equity instruments, IFRS 9 optionally allows their measurement at FVTOCI.

Measurement of Impairment of Financial Assets

IFRS 9 introduces the expected credit loss (“ECL”) approach to be applied on all financial assets at Amortized Cost or at FVTOCI (with the exception of equity securities). Whereas under IAS 39, only incurred losses should be recognized as impairment of financial assets, under the ECL approach, estimation of the future credit losses should be performed, using three stages, as follow:

Stage 1: Measurement of the ECL for the next twelve months. It includes all financial assets with no significant increase in credit risk since initial recognition and it usually entails financial assets with ageing lower than 30 days past due date. The portion of the lifetime expected credit losses resulting from default events possible within the next 12 months is recognized.

Stage 2: Measurement of ECL over the lifetime – not credit impaired. If a financial asset has a significant increase in credit risk since initial recognition but is not yet credit impaired, it is classified at Stage 2 and measured at lifetime expected credit loss, which is defined as the expected credit loss that results from all possible default events over its expected life.

Stage 3: Measurement of ECL over the lifetime – credit impaired. If a financial asset is defined as credit impaired, it is transferred to Stage 3 and measured at lifetime expected credit loss. Objective evidence for a credit-impaired financial asset includes ageing more than 90 days past due and other information about significant financial difficulties of the borrower.

b) IFRS 9 Transition impact on financial statements

Changes in accounting policies applied by the Company had no effect in the opening balance as of 1 January 2018.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

Adoption of IFRS 9 by the Company

The adoption of IFRS 9 by the Company since 1 January 2018 resulted in no changes in accounting policies and adjustments to the amounts recognized in the financial statements. The new accounting policies applied by the Company are included in note 3.11. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated. Therefore:

- i) Any adjustments to carrying amounts of financial assets or liabilities are recognized at the current reporting period.
- ii) Financial assets are not reclassified in the statement of financial position for the comparative period,
- iii) Provisions for impairment of financial assets have not been restated in the comparative period.

Measurement of Impairment of financial assets

The Company applies the IFRS 9 simplified model to estimate the ECL of trade and other receivables, classifying them either at Stage 2 or at Stage 3 and measuring lifetime ECL.

To measure the ECL, the trade and other receivables have been grouped based on their credit risk characteristics and their ageing (days past due) at the reporting date. This measurement is based on specific credit risk metrics (i.e. probability of default, loss given default), which are calculated based on historical data, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impact of application of IFRS 15 “Revenue from Contracts with Customers”

IFRS 15 “Revenue from Contracts with Customers” outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle is that an entity recognizes revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 issued in May 2014 and is required to be applied for annual periods beginning on or after 1 January 2018. IFRS 15 supersedes the following standards and interpretations: (a) IAS 18, (b) IAS 11, (c) IFRIC 13, (d) IFRIC 15, (e) IFRIC 18 and (f) SIC-31.

IFRS 15 is a complex Standard, introducing far more prescriptive requirements than were previously included in IFRS Standards. It requires the application of significant judgement in some areas, but in other areas, it is relatively prescriptive, allowing little room for judgement. Whereas IAS 18 provides separate revenue recognition criteria for goods and services, this distinction is removed under IFRS 15. The new Standard focuses instead on the identification of performance obligations and distinguishes between performance obligations that are satisfied 'at a point in time' and those that are satisfied 'over time', which is determined by the manner in which control of goods or services passes to the customer.

The Company adopted IFRS 15 as of 1st January 2018 (date of initial application) by using the modified retrospective method on the basis of the provisions described in IFRS 15:C3(b). Under this method, an entity may elect to reflect the aggregate effect of all modifications that occur before either 1st January 2017 or 1st January 2018 under IFRS 15 when identifying the satisfied and unsatisfied performance obligations, determining the transaction price and allocating the transaction price to satisfied and unsatisfied performance obligations for the modified contracts at transition. Additionally, an entity may elect to apply this standard only to contracts that are not completed contracts at the date of initial application. The Company adopted IFRS 15 without using the practical expedients for modified and completed contracts described above.

The Company conducted an analysis of its significant revenue streams for the purposes of identifying any changes between the previous and current accounting framework prescribed by the provisions of IFRS 15. Representative contracts that were relevant to accounting for the contracts under the new revenue standard (i.e.: performance obligations, transaction price etc.) including their key terms and conditions were analyzed for the purposes of the execution of the IFRS 15 impact assessment study. Details of the new requirements

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

are analyzed in Note 3.4 under the section “Significant Accounting Policies”, while the impact on the Company’s consolidated financial statements is described below.

The underlying measurement principle of IFRS 15 with reference to variable considerations that form part of the transaction price is not significantly different from many aspects of the practice followed by the Company under IAS 18. In fact, under the previous accounting framework, any kind of variable consideration, was estimated at the time of sale and the amount of revenue recognized was adjusted accordingly. In this context, the Company concluded that the adoption of IFRS 15 has no effect on the timing and the amount of revenue recognized by the Company compared to the practice followed under IAS 18.

IFRS 15 uses the terms ‘contract asset’ and ‘contract liability’ to describe what might more commonly known as ‘accrued revenue’ and ‘deferred revenue’. However the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The Company has adopted the terminology used in IFRS 15 to describe such balances. Apart from providing more extensive disclosures for the Company’s revenue transactions, the application of IFRS 15 has not had an impact on the financial position and / or financial performance of the Company.

IFRIC 22 “Foreign Currency Transactions and Advance Consideration”

The interpretation addresses foreign currency transactions or parts of transactions where i) there is consideration that is denominated or priced in a foreign currency; ii) the entity recognizes a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and iii) the prepayment asset or deferred income liability is non-monetary. The Interpretations Committee concluded that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability and in case there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company estimates that the interpretation will not have any material impact on the financial position and / or financial performance of the Company.

New Standards effective for periods beginning on or after January 1st 2019

IFRS 16 “Leases”

IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 “Leases” and the related Interpretations when it becomes effective for accounting periods beginning on or after 1 January 2019. IFRS 16 will have a significant impact to lessees; it will result in almost all leases being recognized on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (“right-of-use asset”) and a financial liability to pay rentals (“lease liability”) are recognized. The only exceptions are short-term leases and leases of low-value assets. In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17.

The Company will apply IFRS 16 from its mandatory adoption date of 1 January 2019. For short-term leases and leases of low-value assets (such as printers), the Company will opt to recognize a lease expense on a straight-line basis as permitted by IFRS 16. Also, the Company will apply the practical expedient provided to lessees by the standard not to separate non-lease components from lease components and instead account for each lease component and any associated non-lease components as a single lease component.

The Company has chosen to apply the simplified transition approach (retrospectively with the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of equity at the date of initial application) and will not restate comparative amounts for the year prior to first adoption. Also, the Company has decided to measure on transition the right-of-use assets at an amount equal to lease liability, adjusted by an amount of any prepaid or accrued lease payments.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

IFRS 16 “Leases” (continued)

Furthermore, the Company has decided not to apply the practical expedient provided by IFRS 16 par.C3 on transition and instead to reassess all contracts that existed at the date of initial application on whether they are or contain a lease in accordance with IFRS 16 requirements.

The Company has not yet finalized its assessment on the impact of IFRS 16, since the Company is in the process of finalizing the new accounting policies, processes and controls in respect of IFRS 16.

The Company expects to recognize right-of use assets of approximately €30 to €40 thousand and lease liabilities of approximately the same amount. The respective right-of-use assets and lease liabilities relate mainly to leases of transportation means.

IFRIC 23 “Uncertainty over Income Tax Treatments”

The interpretation sets out how to determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over income tax treatments under IAS 12 Income Taxes. The Interpretation requires an entity to a) determine whether uncertain tax positions are assessed separately or as a group; and b) assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings. If yes, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings. If no, the entity should reflect the effect of uncertainty in determining its accounting tax position. The interpretation Amendment is not expected to have a material effect on the financial position or the financial performance of the Company.

IAS 19 (Amendment) “Plan Amendment, Curtailment or Settlement”

The Amendments to IAS 19 clarify that in case a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement. In addition Amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The amendment interpretation Amendment is not expected to have a material effect on the Financial position or the financial performance of the Company.

IAS 28 (Amendment) “Long-term Interests in Associates and Joint Ventures”

The amendments clarify that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Detailed amendments to the initial IAS text are provided. The Amendment is not expected to have a material effect on the financial position or the financial performance of the Company.

Amendments to standards being part of the annual improvement program of 2017 of the IASB (International Accounting Standards Board) 2015 - 2017 Cycle.

The following amendments describe the most important changes in three standards. The amendments have not yet been endorsed by the E.U.

IFRS 3 “Business Combinations” and IFRS 11 “Joint Arrangements”

The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (continued)

IAS 12 "Income Taxes"

The amendments clarify that all income tax consequences of dividends (i.e. distribution of profits) should be recognized in profit or loss, regardless of how the tax arises.

IAS 23 "Borrowing Costs"

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

3. Summary of Significant Accounting Policies

The principal accounting policies adopted which are consistent with those of the prior year are set out below:

3.1 Basis of Accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) which are effective at the date of preparing these financial statements as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU).

The financial statements have been prepared on the historical cost basis.

3.2 Revenue Recognition

The Company recognizes revenue coming from aviation fuel refueling services provided to its customers through its facility at Athens International Airport (AIA) as well as revenue from interests.

Revenue is measured at the amount reflecting the consideration that the Company estimates to be entitled to from the customers, excluding amounts received for third parties. The Company recognizes revenue when the control of the service is transferred to the customer in an amount reflecting the consideration that the Company estimates will receive in exchange for these services.

The Company acts as initiator in revenue transactions in the sense that it acquires control of the services prior to their transfer to customers. The Company does not incur any incremental cost of securing contracts with customers.

Aviation Fuel Refueling Services

The Company provides its customers with aviation fuel transit services, including aviation fuel receipt and temporary storage, for the sole purpose of being distributed to Into-Plane Agents at Athens International Airport (AIA) through the Hydrant refueling system. Into-Plane Agents are those entities that have concluded an aircraft refueling agreement with AIA.

For the provision of the aforesaid services, the Company receives from its customers the "Throughput Fee" and the "Airport Fee". The "Throughput Fee" is calculated as a charge per m³ of aviation fuel delivered through the installation, while "Airport Fee" consists of two components: "Rental Fee" and "Variable Fee". The amount of the "Variable Fee" is directly dependent on the amount of fuel delivered through the installation.

Individual services described above (i.e. receipt, temporary storage and fuel distributions) are not distinct, given the fact that Company customers cannot take advantage of each service separately and moreover there are no other relative resources available to customers that could be used so as to distribute aircraft fuel to Into-Plane Agents at AIA. The aforesaid services promised to Company customers are not distinct, as they may be interconnected and especially interdependent, in the sense that the Company cannot fulfill its obligation by delivering each of the services separately. As a result, all services included in Agreements concluded with the Company's customers are considered as a unique obligation to perform.

3. Summary of Significant Accounting Policies (continued)

3.2 Revenue Recognition (continued)

Revenue from aviation fuel refueling services is recognized over time as Company customers receive and at the same time utilize the benefits resulting from the Company's obligation to perform.

Interest Income

Interest income is entered on a time proportion basis to the outstanding capital and the appropriate effective interest rate, which is the interest rate that exactly discounts the estimated future cash receipts expected to flow over the life of the asset so as to be equal to the net carrying amount of the asset.

3.3 Leases

The Company's lease payments for operating leases charge the Profit or Loss of the year in accordance with the leasing contracts as it is considered a more representative way of recognizing these costs.

3.4 Foreign Currency

On each date of the Statement of Financial Position, monetary items expressed in foreign currency are measured at the exchange rate prevailing at the date of the statement of financial position.

Foreign exchange differences arising on the settlement of monetary items and on the reconversion of monetary items are included in the income statement.

3.5 Borrowing Costs

Borrowing costs charge the profit or loss account in the year they are incurred.

3.6 Retirement Benefit Costs

Payments to defined contribution retirement plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in defined contribution retirement benefit plans.

For defined retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, based on independent actuarial valuations carried out at each year end. Actuarial gains or losses are recognized in Other Comprehensive income in the year in which they are incurred.

Past service cost is recognized immediately in the profit & loss to the extent that the benefits are already vested, otherwise it is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the Statement of Financial Position represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

3.7 Taxation

The tax expense represents the sum of the current tax payable and the deferred tax plus any additional tax arising from previous years' tax audits.

The current tax payable is based on the taxable profit for the year. Taxable profit differs from the profit as presented in profit & loss because it excludes income or expense that are taxable or deductible in other years and additionally it excludes items that are never taxable or deductible. The Company's liability for the current tax is calculated using current tax rates or rates that have been enacted at Statement of Financial Position date.

3. Summary of Significant Accounting Policies (continued)

3.7 Taxation (continued)

Deferred tax is recognized on differences between the book value of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is calculated using the Statement of Financial Position Liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is possible that taxable profits will be available against which deductible temporary differences can be utilized. Such receivables and payables are not recognized if temporary differences arise from goodwill or from the initial recognition (except for a business combination) of assets and liabilities from transactions that do not affect either taxable or accounting profits.

Deferred income tax liabilities are recognized for temporary tax differences arising from investments in subsidiaries and associates and interests in joint ventures, except where the Company may control the reversal of temporary differences and it is probable that such differences will not reverse the foreseeable future. Deferred tax assets are recognized for temporary tax differences arising on investments and interests only to the extent that there is likely to be sufficient taxable profits against which the benefits of temporary tax differences will be used and is expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset liquidated. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and in addition the Company intends to settle the net amount resulting from current tax assets and liabilities.

3.8 Intangible Assets

Intangible Assets include concession rights of the aviation refueling facilities by the Company.

These are presented at construction and acquisition cost of the above mentioned facilities and are amortized according to the duration of the Concession contract.

The duration of the concession contract, signed between the Company and the managing company of the "Athens International Airport S.A.", where it is granted with the right of use of the facilities, is 21 years starting in 2001.

3.9 Tangible Assets

Vehicles, furniture and other equipment are presented in the Statement of Financial Position at historical cost reduced by the amount of accrued depreciations and the recognized impairment loss.

Depreciation is charged in the profit or loss so as to reduce the cost or the value of assets through their expected useful life, using the straight line method.

<u>Tangible Assets</u> <u>Category</u>	<u>Depreciation Rate</u>
Vehicles	12 %
Furniture and other Equipment	10 %
Computers	20 %

3. Summary of Significant Accounting Policies (continued)

3.9 Tangible Assets (continued)

Fixed assets of an acquisition cost of less than € 1,500 are fully depreciated in the period of their acquisition. The estimated useful life of assets, residual values and depreciation method are reassessed at regular intervals to allow for changes in estimates to be applied in subsequent periods.

The gain or loss arising from the sale or disposal of an asset is determined as the difference between the sale revenue and the corresponding net book value and is transferred to profit or loss.

3.10 Cash and Cash Equivalents

Cash and cash equivalents primarily include cash at hand and bank deposits.

3.11 Financial Instruments

3.11.1 Initial Recognition

Financial assets and financial liabilities are recognized on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

3.11.2 Initial Measurement

The Company measures financial assets and liabilities on their initial recognition at their fair value plus/minus transaction cost that it is directly attributable to the acquisition of the financial asset or issue of the financial liability, respectively (other than financial assets and liabilities at FVTPL).

The Company recognizes initially trade receivables without a significant financing component at their transaction price.

3.11.3 Classification and Measurement of financial assets

3.11.3.1 Trade Receivables

All financial assets that fall within the scope of IFRS 9 are subsequently to their initial recognition measured at amortized cost or fair value.

The Company has one business model for managing its financial assets that reflects how the Company manages those in order to generate cash flows. In particular, the financial assets of the Company are held within a business model whose objective is to hold assets in order to collect contractual cash flows. Following the objective of the aforementioned business model the financial assets of the Company are managed in order to realize cash flows by collecting the corresponding payments over the life of the financial asset.

The Company in making its assessment of whether cash flows are going to be realized by collecting the corresponding payments over the life of the financial asset considers the frequency, value and time of sales in prior periods, the reason of those sales and the group's expectations about future sales activity.

Apart from the above, the Company also considers all relevant information in performing the business model assessment, excluding scenarios that the Company does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. In performing this exercise the Company exercises judgement considering all available and relevant information such as but not limited to, how the performance of the assets is measured.

At the initial recognition of a financial asset, the Company determines whether it is part of the business model or it reflects the commencement of a new business model. The Company reassess its business model

3.11.3 Classification and Measurement of financial assets (continued)

3.11.3.1 Trade Receivables (continued)

each reporting period to determine whether the business model has changed from the previous reporting period. For the reporting periods of the current financial year, the Company has not identified a change in its business model.

3.11.4 Classification and Measurement of financial liabilities

Financial liabilities are classified as other financial liabilities (i.e. amortized cost).

The Company measures financial liabilities, such as, bond loans, Interest-bearing bank loans and overdrafts at amortized cost (i.e. other financial liabilities). Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis to the profit and loss account using effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

3.11.5 Measurement of Impairment of Financial Assets

The Company measures the loss allowance on its trade receivables as the estimate of the present value of all cash shortfalls over the life of its trade receivables. A cash shortfall is defined as the difference between the cash flows that are due based on contractual terms and the cash flows that are expected to be received.

The Company has adopted the simplified approach with respect to estimating the ECLs for its trade receivables. Therefore, the Company at each reporting date, measures the loss allowance for its trade receivables at an amount equal to their lifetime expected credit losses. Accordingly, all trade receivables of the Company are classified into the following stage:

Stage 2: Measurement of ECL over the lifetime – not credit impaired. Financial assets that are not credit impaired, are classified at Stage 2 and measured at lifetime expected credit loss, which is defined as the expected credit loss that results from all possible default events over its expected life.

The following are the main inputs in the process of applying the Company's accounting policies with respect to the estimations of ECLs of the Company:

- Exposure at Default ("EAD"): represents the amount of exposure at the reporting date.
- Probability of Default ("PD"): Probability of default is an estimate of the likelihood of default over a given time horizon. The Company calculates probabilities of default utilizing historical data, assumptions and expectations about the future.
- Loss given default ("LGD") represents the estimation of loss that will be incurred at the default date. LGD is calculated as the difference arising between the contractual cash flows of the instrument that are due and the future expected cash flows of the instrument that are expected to be received. The determination of LGD considers also the effect from the recoveries on expected cash flows arising from collaterals held by the Company.

The Company secures its receivables through letters of guarantees as a mean of mitigating credit risk associated with its trade receivables. As of 31.12.2018, the Company did not hold any trade receivable for which no ECL is recognized as the amount of the letters of guarantees received to secure its receivables exceeds by far the balance of the respective receivables. Central to the measurement of ECL is the definition of default. The Company considers as an event of default when the debtor is either past due more than 30 days or it is unlikely to pay its obligations to the Company due to financial difficulties.

3.11.3 Classification and Measurement of financial assets (continued)

3.11.5 Measurement of Impairment of Financial Assets (continued)

In addition, the Company assesses the expected credit losses associated with the financial assets of the Company, taking into account forward looking information. Forward looking information is incorporated in the ECL model through the consideration of various internal and external sources of actual and forecast economic information.

The Company recognizes the related loss provision at each reporting date.

3.12 Borrowings

Interest bearing bank loans and overdrafts are registered by the respective amounts of the relevant withdrawals reduced by the direct costs of issue.

3.13 Trade Payables

Trade payables arising from commercial activities are interest free and are stated at their nominal value.

3.14 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Company's management the best possible estimate of the expenditure required to settle the obligation at the Statement of Financial Position date, and are discounted at present value when the effect is material.

3.15 Main Sources of Uncertainty of Accounting Estimations

The preparation of the financial statements presumes that various estimations and assumptions are made which could possibly affect the carrying values of assets and liabilities and the required disclosures for contingent assets and liabilities as well as the amounts of income and expense recognized. The use of adequate information and subjective judgment used are integral parts for the estimates made in the valuation of assets, liabilities derived from employees benefit plans, unaudited tax years and pending legal cases. The estimations are important but not restrictive. The actual future events may differ from above estimations. The major sources of uncertainty in accounting estimations by Company's management concern mainly the legal cases and the years not audited by the tax authorities, as described in detail in Note 23. Other sources of uncertainty relate to the assumptions made by the management regarding employee benefit plans such as payroll increase, remaining years to retirement, etc. Another source of uncertainty is the estimation for the useful life of fixed assets. The above estimations and assumptions are based on the up to date experience of management and are revaluated so as to be up to date with the current market conditions. It is Company routine not to recognize any of the pending legal cases, both claims by third parties and Company legal claims against third parties, until they are finalized.

4. Revenue

Revenue is analyzed as follows:

<u>Amounts in Euro</u>	<u>1/1 - 31/12/2018</u>	<u>1/1 - 31/12/2017</u>
Services rendered	<u>9.987.948,82</u>	<u>9.674.429,37</u>

The Company's principal activity is the operation of aircraft refueling systems in the Athens International Airport.

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5. Other Operating Income / (Expenses)

<u>Amounts in Euro</u>	<u>1/1 - 31/12/2018</u>	<u>1/1 - 31/12/2017</u>
Ancillary Services Revenue	88.520,58	72.468,86
Ancillary Services Expense	(19.461,84)	(8.350,03)
Other income	2.074.070,54	1.442,50
Provisions for contingencies	(0,00)	(52.060,90)
Other expenses	<u>(4.059,42)</u>	<u>(1.316,42)</u>
Total	<u>2.139.069,86</u>	<u>12.184,01</u>

The above mentioned revenue regards income from the provision of consultancy services on refueling and other management consultation in similar refueling installations of aircraft fuel. The expenses realized aim to the provision of the above consultancy services. Provisions for contingencies regard provisions for legal cases.

6. Profit from Operations

For the formation of the Company's Operating Profit, the following debits/ (credits) are included in the items of the Statement of Comprehensive Income:

<u>Amounts in Euro</u>	<u>1/1 - 31/12/2018</u>	<u>1/1 - 31/12/2017</u>
Depreciations Intangible Assets	1.933.743,84	1.905.457,85
Depreciations Tangible Assets	<u>18.449,18</u>	<u>13.796,19</u>
Total Depreciations	1.952.193,02	1.919.254,04
Personnel Expenses	1.389.756,21	1.209.759,48

Statutory auditors' reimbursements for the year 2018 amounted to € 49.000.

7. Investment Income

Investment income is analyzed as follows:

<u>Amounts in Euro:</u>	<u>1/1 - 31/12/2018</u>	<u>1/1 - 31/12/2017</u>
Interest from bank deposits	<u>18.237,15</u>	<u>18.683,64</u>

8. Financial Expenses

Financial expenses are analyzed as follows:

<u>Amounts in Euro:</u>	<u>1/1 - 31/12/2018</u>	<u>1/1 - 31/12/2017</u>
Bond loan interest	10.748,51	28.625,62
Other financial expenses	<u>10.338,95</u>	<u>10.150,78</u>
Total	<u>21.087,46</u>	<u>38.776,40</u>

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9. Income Tax

Amounts in Euro

	<u>1/1 - 31/12/2018</u>	<u>1/1 - 31/12/2017</u>
Income tax for the year	516.471,60	582.372,46
Deferred tax recognized in Profit or Loss		
Deferred tax recognized in Other Comprehensive Income	512.464,51	(21.437,85)
Deferred Tax (Note 17)	<u>84,88</u>	<u>(11.819,58)</u>
	<u>512.549,39</u>	<u>(33.257,43)</u>
Total	<u>1.029.020,99</u>	<u>549.115,03</u>

Income tax was calculated as 29% on taxable profits for the years 1/1-31/12/2018 and 1/1-31/12/2017. Under the new tax law 4579/2018, legal persons are taxed at a rate of 28% for the year 2019, 27% for the year 2020, 26% for the year 2021 and 25% for the year 2022 onwards.

Income tax for the year results after the following tax effects are accounted for on taxable profit:

Amounts in Euro:

	<u>1/1 - 31/12/2018</u>	<u>1/1 - 31/12/2017</u>
Tax rate	29%	29%
Effects on tax by:		
Non-tax deductible expenses	0,3%	2,1%
Other effects (change of tax rate, deferred taxation)	<u>0,2%</u>	<u>(1,7%)</u>
Actual tax rate for the year	<u>29,5%</u>	<u>29,4%</u>

10. Dividends

Dividends to shareholders are proposed by the Company's management at each year end and are subject to approval by the Annual General Assembly of Shareholders.

For the current year the dividends distributed from previous year's profits (1/1 - 31/12/2017) amounted to a gross total of 1.447.875€, as per Decision of the Annual General Assembly held on 26 April 2018.

For the upcoming General Assembly of Shareholders, the Company's management proposes the distribution of a total gross dividend of 1.477.712€.

This dividend is subject to the approval of Shareholders during the Annual General Assembly of Shareholders and has not been included as a liability in this year's Financial Statements.

11. Intangible Assets

The total changes in intangible assets regarding concession rights, as mentioned in paragraph 3 for the year 1/1-31/12/2017 and for the year 1/1-31/12/2018 are presented in the following table:

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11. Intangible Assets (continued)

<u>Amounts in Euro</u>	Total Intangible Assets
Cost	
1 January 2017	<u>38.292.239,64</u>
Additions	<u>8.792,30</u>
31 December 2017	<u>38.301.031,94</u>
Additions	113.143,96
Reductions	<u>(25.000,00)</u>
31 December 2018	<u>38.389.175,90</u>
Accumulated Depreciations	
1 January 2017	<u>28.816.530,71</u>
Depreciation for current year	<u>1.905.457,85</u>
31 December 2017	<u>30.721.988,56</u>
Depreciations for current year	1.933.743,84
Reductions	<u>(21.428,58)</u>
31 December 2018	<u>32.634.303,82</u>
Unamortized Value	
31 December 2017	<u>7.579.043,38</u>
31 December 2018	<u>5.754.872,08</u>

Concession rights represent the amount of the total expense for the construction of buildings, the underground piping system for fuel distribution, the automation system for fuel management and the acquisition of JET A -1 (dead stock) as well as subsequent additions. In the Financial Statements these are valued at historical cost reduced by accrued depreciations.

Depreciations are carried out based on the straight line depreciation method over the duration of the facilities' operation contract. Upon termination of this period, the facility will come to the ownership of the Airport Management Company.

Depreciation period for the above rights: 21 years.

12. Tangible Assets

Changes in tangible assets for the year 1/1-31/12/2017 and for the year 1/1-31/12/2018 are presented in the following table:

<u>Amounts in Euro</u>	Vehicles	Furniture and other equipment	Total
Cost			
1 January 2017	311.517,32	226.857,66	538.374,98
Additions	0,00	33.620,53	33.620,53
Reductions	<u>0,00</u>	<u>(48.396,47)</u>	<u>(48.396,47)</u>
31 December 2017	311.517,32	212.081,72	523.599,04
Additions	1.200,00	46.383,62	47.583,62
Reductions	<u>0,00</u>	<u>(4.780,63)</u>	<u>(4.780,63)</u>
31 December 2018	312.717,32	253.684,71	566.402,03

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12. Tangible Assets (continued)

Accumulated Depreciations			
1 January 2017	303.510,54	203.698,99	507.209,53
Depreciations for the period	3.394,86	10.401,33	13.796,19
Reductions	<u>0,00</u>	<u>(48.394,40)</u>	<u>(48.394,40)</u>
31 December 2017	306.905,40	165.705,92	472.611,32
Depreciations for the period	2.381,15	16.068,03	18.449,18
Reductions	<u>0,00</u>	<u>(4.780,62)</u>	<u>(4.780,62)</u>
31 December 2018	309.286,55	176.993,33	486.279,88
 Unamortized Value			
31 December 2017	<u>4.611,92</u>	<u>46.375,80</u>	<u>50.987,72</u>
31 December 2018	<u>3.430,77</u>	<u>76.691,38</u>	<u>80.122,15</u>

Tangible assets are owned in order to be used for the provision of services.

Vehicles are valued and presented in the Statement of Financial Position at historical cost reduced by accumulated depreciations. Depreciation rate for vehicles is 12%.

Furniture and other equipment are valued at historical cost reduced by accumulated depreciations.

Depreciation rate for furniture and other equipment is:

Furniture and other equipment: 10%

Computers: 20 %

13. Other Non-Current Assets

Amounts in Euro:

	<u>31/12/2018</u>	<u>31/12/2017</u>
Guarantee PPC (DEI)	9.097,58	9.097,58
Passenger vehicles guarantees	<u>5.098,34</u>	<u>5.707,42</u>
Total	<u>14.195,92</u>	<u>14.805,00</u>

The value of other non-current assets represents given guarantees for energy provision by PPC, at the beginning of the facility's operation, and for the lease of passenger vehicles. The Company has entered into a lease agreement for 5 passenger vehicles for operational needs. The average duration of the leases is 3 years. The guarantees for the passenger vehicles are equal to two monthly installments. At the end of the lease period, these amounts will be reimbursed. During the current year, the leases for 1 passenger vehicle was renewed.

14. Trade Receivables and Other Current Assets

The Management considers that the book value of trade receivables and other current assets represents their fair value.

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14. Trade Receivables and Other Current Assets (continued)

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Trade Receivables	2.081,40	5.309,44
Related Parties	0,00	2.415,78
Various Debtors	157.376,78	156.668,77
Conventional Asset	8.055,15	8.842,77
Deposits - Transitional	<u>102.967,65</u>	<u>85.748,15</u>
Total	<u>270.480,98</u>	<u>258.984,91</u>

Trade receivables are collected within 10 working days of invoice date as per agreement. After this defined period, an interest is charged on the amount due. Transitional accounts include expenses regarding the following year such as facilities insurance and personnel insurance.

The credit risk of trade receivables is limited because the customers are large petroleum companies.

Each customer has issued, as defined by the bilateral agreement, a letter of guarantee in favor of the Company aiming to ensure its claims. The sum of the letters of guarantee that have been received on 31/12/2018 amounts to 2.315.916,81€. The respective amount on 31/12/2017 was 2.522.916,81 €.

15. Cash and Cash Equivalents

Cash and cash equivalents include cash and short term bank deposits.

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Cash	2.625,23	3.710,70
Bank Deposits	<u>11.479.456,20</u>	<u>11.888.703,39</u>
Total	<u>11.482.081,43</u>	<u>11.892.414,09</u>

The book value of cash is close to their fair value.

Company bank accounts are pledged to guarantee repayment of the bond loan and also by the AIA Agreement Nr.: 14228/16.10.1998 as follows:

By the Loan Administrator
the following accounts:
NBG 104/471897-61
NBG 104/471898-45
NBG London 656140-01

By Athens International Airport
(AIA) the following accounts:
NBG 104/471899-28
NBG 104/471900-09
NBG 104/471901-81
NBG London 656140-02

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16. Borrowings

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Total Borrowings Statement of Financial Position	0,00	<u>1.676.206,00</u>
Borrowings are repayable as follows:	31/12/2018	31/12/2017
Immediately or within 1 year	0,00	1.676.206,00
Within the second year	0,00	0,00
From 3 to 5 years	<u>0,00</u>	<u>0,00</u>
Total borrowings Statement of Financial Position	0,00	1.676.206,00
Less: Amounts payable within 12 months (included in current liabilities)	<u>0,00</u>	<u>1.676.206,00</u>
Amounts payable after 12 months	<u>0,00</u>	<u>0,00</u>

On November 27th 2008, the Company issued a Bond Loan of a nominal value of 16.400.000 €. An amount of 13.359.400 € was undertaken in order to re-finance the long term loan taken for the construction of the aircraft fuel hydrant system and the storage facilities. Payments started on 22/03/2009 and will go on up until 24/12/2018.

17. Deferred Tax

Following are the major deferred tax liabilities and assets recognized by the Company and the changes that took place during the current and previous periods.

<u>Amounts in Euro:</u>	<u>1/1/2017</u>	Statement of Comprehensive Income expense/(income)	<u>31/12/2017</u>	Statement of Comprehensive Income expense/(income)	<u>31/12/2018</u>
Deferred tax arising from:					
Multiannual fiscal depreciation expenses	276,36	719,13	995,49	(939,49)	56,00
Tax and book difference on assets	13.741,71	(2.571,69)	11.170,02	(5.725,95)	5.444,07
Retirement benefit compensations	(62.147,40)	(16.307,21)	(78.454,61)	7.967,09	(70.487,52)
Provisions for legal cases	<u>(496.150,08)</u>	<u>(15.097,66)</u>	<u>(511.247,74)</u>	<u>511.247,74</u>	<u>0,00</u>
Total	<u>(544.279,41)</u>	<u>(33.257,43)</u>	<u>(577.536,84)</u>	<u>512.549,39</u>	<u>(64.987,45)</u>

The total change in deferred tax in the Statement of Financial Position is the following:

	1/1-31/12/2018	1/1-31/12/2017
Deferred Tax Asset beginning of year	(577.536,84)	(544.279,41)
Profit or Loss for the current year	512.464,51	(21.437,85)
Changes in Other Comprehensive Income	84,88	(11.819,58)
Deferred tax Asset end of year	<u>(64.987,45)</u>	<u>(577.536,84)</u>

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18. Trade and Other Payables

Trade and other payables mainly concern purchases and operating costs.

Company Management considers the balance of operating liabilities presented in the Financial Statements to be close to their fair value. Following is an analysis of suppliers and other creditors (excluding banks):

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Trade Payables	411.018,06	359.595,02
Current Liabilities to Related Parties	152.560,33	148.955,37
Deposits from Customers	196,00	196,00
Liabilities from taxes and fees	150.377,25	138.534,30
Social Security	84.687,32	64.283,72
Various creditors	826,95	1.037,08
Accrued expenses and other liabilities	<u>306.569,14</u>	<u>306.640,21</u>
Total	<u>1.106.235,05</u>	<u>1.019.241,70</u>

19. Provisions

There are no pending claims of third parties against of the Company, which may be expected to incur financial burden in the year 2018, and therefore the Company's management has decided to proceed to a reversal of the already formed provision for litigations. Moreover, there are no pending legal claims of the Company against third parties.

20. Share Capital

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Approved, issued and fully paid: (228.586 nominal shares of a value € 29,35 each)	<u>6.708.999,10</u>	<u>6.708.999,10</u>

21. Reserves

Company reserves are presented in the following table:

<u>Amounts in Euro:</u>					
Reserves Description	<u>1/1/2017</u>	Additions (reductions) 2017	<u>31/12/2017</u>	Additions (reductions) 2018	<u>31/12/2018</u>
Legal	1.262.661,45	66.276,69	1.328.938,14	124.661,66	1.453.599,80
Extraordinary	1,00	0,00	1,00	0,00	1,00
Tax Free	<u>21.434,80</u>	<u>0,00</u>	<u>21.434,80</u>	<u>0,00</u>	<u>21.434,80</u>
Total	<u>1.284.097,25</u>	<u>66.276,69</u>	<u>1.350.373,94</u>	<u>124.661,66</u>	<u>1.475.035,60</u>

Legal Reserve

Legal reserve represents 5% of profits after tax until this is equal to 1/3 of the Company's share capital. This reserve cannot be distributed but it can be used to offset losses.

21. Reserves (continued)

Extraordinary Reserves

Extraordinary reserves comprise prior years' retained earnings and are aimed for a share capital future increase by decision of the General Assembly of Shareholders.

Tax-Free Reserves

Tax-free reserves were created from interest income of bank deposits and are non-taxable provided they remain in liabilities in the Statement of Financial Position as "Reserves of Special Law Provisions".

22. Accumulated Profits / Retained Earnings

Amounts in Euro:

Balance as at 31/12/2016	<u>7.481.771,63</u>
Dividends paid	(1.444.160,00)
Net profits for the year	1.337.903,75
Other Comprehensive Income for the year	(28.937,58)
Reserves formation	<u>(66.276,69)</u>
Balance as at 31/12/2017	<u>7.280.301,11</u>
Dividends paid	(1.447.875,00)
Net profits for the year	2.463.293,00
Other Comprehensive Income for the year	207,81
Reserves formation	<u>(124.661,66)</u>
Balance as at 31/12/2018	<u>8.171.265,26</u>

23. Contingent Liabilities and Commitments

There are no pending third party claims against the Company.

The Company has finalized its tax obligations until the year 2009. For the years 2011, 2012, 2013, 2014, 2015, 2016 and 2017 the Company has been subject to tax compliance control by the appointed statutory auditors according to CL.2190/1920 art.82 of L.2238/1994 and art.65A n.4174/2013 and the relevant Tax Compliance Reports have been issued. In any case, according to Circ.1006 / 05.01.2016 business entities for which a Tax Compliance Report is issued are not exempt from a tax audit by the tax authorities. Therefore, the Tax Authorities may come back to carry out a separate tax audit. The Company has received a partial tax audit order for the years 2014, 2015 and 2016, which will be carried out until 31/12/2021.

However the Company's management estimates that the results of such future inspections by the tax authorities, if ultimately realized, will not have a material effect on the Company's financial position. Moreover, up to the date of approval of the financial statements for the year 2018, the Company's tax compliance audit by the auditor has not been completed. No significant further charges are expected to arise. The sum of the Letters of Guarantee given to ensure Company's liabilities amounts to € 1.027.146 on 31/12/2018. On 31/12/2017 the amount was € 1.027.146 respectively.

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24. Earnings per share

The calculation of basic earnings per share is based on the following:

<u>Amounts in Euro:</u>	<u>1/1-31/12/2018</u>	<u>1/1-31/12/2017</u>
Profits distributed to Shareholders	2.463.293,00	1.337.903,75
Number of Shares	228.586	228.586
Earnings per share basic and diluted in €	<u>10,78</u>	<u>5,85</u>

25. Operating Lease Contracts

Company leases regard transportation means (passenger vehicles).

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Minimum lease payments under operating leases recognized as an expense for the year	<u>36.275,85</u>	<u>38.815,83</u>

On 31/12/2018 and on 31/12/2017, the Company had outstanding commitments under operating lease contracts bearing no right or intention to be cancelled, which fall due as follows:

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Within one year	22.963,10	26.194,32
After one year	<u>12.265,61</u>	<u>21.535,83</u>
	<u>35.228,71</u>	<u>47.730,15</u>

The duration of lease for passenger vehicles is three (3) years.

26. Related Party Transactions

Commercial Transactions

Transactions between the Company and related parties are analyzed below.

Amounts in Euro:

	Sales		Purchases		Assets		Liabilities	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Parent Company	0,00	0,00	0,00	0,00	0,00	0,00	73.474,59	73.474,59
Other related parties	<u>3.672.609,32</u>	<u>3.191.194,55</u>	<u>32.458,21</u>	<u>29.959,14</u>	<u>0,00</u>	<u>2.415,78</u>	<u>83.428,37</u>	<u>75.480,78</u>
Total	<u>3.672.609,32</u>	<u>3.191.194,55</u>	<u>32.458,21</u>	<u>29.959,14</u>	<u>0,00</u>	<u>2.415,78</u>	<u>156.902,96</u>	<u>148.955,37</u>

26. Related Party Transactions (continued)

Remuneration of Management Executives

Remuneration of Management Executives and members of the Board of Directors, that constitute the highest level of the Company's management amounts in total € 464.979,96 (2017: € 492.323,36).

Remunerations of the members of the BoD are discussed and approved by the Annual General Assembly of the Company's Shareholders.

Other expenses for the year 2018 regarding Administration Executives amount to € 31.684,77 (2017: €33.841,20).

There are no compensations to Management Executives due to retirement for the current and the previous year.

Managerial Transactions

There are no further transactions, assets and/or liabilities between the Company and Management Executives.

27. Provisions for Retirement Benefit Plans

The Company's obligations to its employees in relation to the future payment of benefits in proportion to their time of service are based on an actuarial study. This liability is computed and presented on the date of Financial Statements based on the expected vested benefit of every employee. The vested benefit is presented discounted at its present value based on expected date of payment.

The Company is obligated to pay retirement compensation to its employees in accordance with Law 2112/1920, based on the retirement age limits. No other post-retirement benefits are provided to employees.

The most recent actuarial valuation of the obligation for retirement compensation to personnel was carried out at 31 December 2018 by an independent certified actuary. The present value of the defined benefit obligations, and the related current service cost, were measured using the projected unit credit method.

	Valuation at:	
	<u>31/12/2018</u>	<u>31/12/2017</u>
Key assumptions used:		
Discount rate	1,60%	1,40%
Expected return on plan assets	1,60%	1,40%
Expected rate of salary increase	0,00%-1,75%*	0,00%-1,75%*

* - Average annual long-term inflation

The provision of the obligation for retirement compensation to personnel is analyzed as follows:

Amounts in Euro

	<u>31/12/2018</u>	<u>31/12/2017</u>
Present value of non-funded retirement benefit plan obligation	271.105,86	270.533,15
Net liability recognized in the Statement of Financial Position	<u>271.105,86</u>	<u>270.533,15</u>
Current liabilities for retirement compensation to personnel	0,00	0,00
Non-current liabilities for retirement compensation to personnel	271.105,86	270.533,15
Total	<u>271.105,86</u>	<u>270.533,15</u>

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27. Provisions for Retirement Benefit Plans (continued)

Amount recognized in the profit or loss in respect with the obligation for retirement compensation to personnel are analyzed below:

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Cost of current benefits	10.385,99	13.085,99
Interest cost	3.787,46	3.000,22
Benefits paid	<u>(13.308,05)</u>	<u>(611,63)</u>
New expense/ (income) recognized in the profit or loss	<u>865,40</u>	<u>15.474,58</u>
Actuarial (gains)/losses recognized in Other Comprehensive Income	<u>(292,69)</u>	<u>40.757,16</u>
Net expense/(income) recognized in Total Comprehensive Income	<u>572,71</u>	<u>56.231,74</u>

The above recognized expense is included in the Company's operating expenses as follows:

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Cost of Sales	(4.370,94)	11.832,08
Administration expenses	<u>5.236,34</u>	<u>3.642,50</u>
Total	<u>865,40</u>	<u>15.474,58</u>

Changes in the present values of the liability for retirement compensation to personnel is analyzed as follows:

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Opening defined benefit obligation	270.533,15	214.301,41
Service cost	10.385,99	13.085,99
Interest cost	3.787,46	3.000,22
Benefits paid	(13.308,05)	(611,63)
Actuarial (gains)/losses	<u>(292,69)</u>	<u>40.757,16</u>
Closing Defined Benefit obligation	<u>271.105,86</u>	<u>270.533,15</u>

The sensitivity analysis of the Present Value of the Defined Benefit Obligation (PVDBO) for personnel compensation due to retirement is as follows:

<u>Amounts in Euro:</u>	<u>31/12/2018</u>
Present Value Defined Benefits Commitment	271.105,86
Calculation with discount rate + 0,5%	258.602,98
Calculation with discount rate - 0,5%	284.667,74

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28. Categories of Financial Instruments

Financial Assets

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Trade and other current receivables (cash and cash equivalents included) (Notes:14,15)	11.818.463,27	12.153.796,26

Financial Liabilities

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Borrowings (Note.16)	0,00	1.676.206,00
Trade and other payables (Note.18)	1.106.235,05	1.019.241,70

29. Financial Risk Management

The Company's Management has assessed the impacts on the management of financial risks that may arise due to the general state of the Greek business environment. More generally, as mentioned below in the management of individual risks, the Management does not consider that any negative developments in the Greek economy coupled with capital controls in Greek banks that remain in place, will have a material effect on the normal operation of the Company.

a. Capital Risk Management

The Company manages its capital to ensure that it will continue as a going concern while maximizing the return to stockholders through the optimization of the debt to equity ratio. The capital structure of the Company consists of debt (bond loan: Note 16), cash and cash equivalents (note 15) and equity (share capital: note 20, reserves: note 21, retained earnings: note 22). The Company's Management reviews the capital structure on a frequent basis evaluating the relation:

Net Debt to Equity (Gearing Ratio)

The Gearing Ratio is as follows:

<u>Amounts in Euro:</u>	<u>31/12/2018</u>	<u>31/12/2017</u>
Borrowings	0,00	1.676.206,00
Cash and Cash Equivalents	<u>(11.482.081,43)</u>	<u>(11.892.414,09)</u>
Net Debt	<u>(11.482.081,43)</u>	<u>(10.216.208,09)</u>
 Total Equity	 <u>16.355.299,96</u>	 <u>15.339.674,15</u>
 Net Debt to Equity Ratio	 (70,20%)	 (66,60%)

b. Financial Risk Management

The main financial items of the Company are bank balances and trade receivables, borrowings and current liabilities. The Company's activities mainly expose it to market risk (interest rate risk), credit risk and liquidity risk. The amounts presented in the Statement of Financial Position for cash, assets and the corresponding liabilities, represent their corresponding actual values. The Company is not affected by changes in currency exchange as it mainly deals in Euro and therefore it is not exposed to currency risk.

29. Financial Risk Management (continued)

c. Interest rate risk

Due to the floating rate of the bond loan, the Company is exposed to interest rate risk. The existing risk is compensated for by varying the price of the fee which is included in the Company's annual budget.

d. Credit Risk

Credit risk mainly concerns trade receivables and other receivables, since Company cash and cash equivalents are deposited with well-known domestic and international banks.

The customers' status in the market significantly reduces the credit risk concentration, combined with the letters of guarantees received to secure these liabilities (see more in paragraph 14).

e. Liquidity Risk

There are no arrears. The Company easily fulfils its obligations towards banks and suppliers. To overcome liquidity risks, the Management is in position to adjust the level of cash accordingly so as to meet the Company's cash needs.

The Management monitors the debt to equity ratio and adjusts the level of reserves as appropriate:

Debt/Equity 0,00

Prudent liquidity management implies sufficient cash balances and capability to raise capital.

Maturity Table of Company liabilities 2018

<u>Amounts in Euro:</u>	<u>Total average interest rate</u>	<u>0-6 months</u>	<u>7-12 months</u>	<u>1-5 years</u>	<u>5 + years</u>	<u>Total</u>
Trade and Other payables	0%	1.106.235,05	0,00	0,00	0,00	1.106.235,05
Borrowings	0%	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>
Total		<u>1.106.235,05</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>1.106.235,05</u>

2017

<u>Amounts in Euro:</u>	<u>Total Average interest rate</u>	<u>0-6 months</u>	<u>7-12 months</u>	<u>1-5 years</u>	<u>5 + years</u>	<u>Total</u>
Trade and other payables	0%	1.019.241,70	0,00	0,00	0,00	1.019.241,70
Borrowings	1,5%	<u>838.091,00</u>	<u>838.115,00</u>	<u>0,00</u>	<u>0,00</u>	<u>1.676.206,00</u>
Total		<u>1.857.332,70</u>	<u>838.115,00</u>	<u>0,00</u>	<u>0,00</u>	<u>2.695.447,70</u>

Going Concern

The Management estimates that the Company has enough resources that ensure the smooth continuation of its operation as "going concern" in the foreseeable future.

30. Events after the Reporting Period

There are no events that could have a material impact on the Company's financial structure needed to be disclosed that have occurred since 31/12/2018 up to the date of issue of these financial statements.

TRUE TRANSLATION FROM THE ORIGINAL IN GREEK

Independent Auditor's Report

To the Shareholders of OFC AVIATION FUEL SERVICES S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Company OFC AVIATION FUEL SERVICES S.A. (the Company), which comprise the statement of financial position as at December 31, 2018, and the statements of profit or loss and other comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company OFC AVIATION FUEL SERVICES S.A. as of December 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's Responsibilities for the Audit of the financial statements" section of our report. During our audit, we remained independent of the Company, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek Legislation and the ethical requirements relevant to the audit of the financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the financial statements

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

As part of an audit in accordance with ISAs as they have been transposed in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Report on other Legal and Regulatory Requirements

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 of article 2 (part B) of L. 4336/2015, we note the following:

- a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of article 43a of Greek Codified Law 2190/1920 and its content is consistent with the accompanying financial statements for the year ended 31.12.2018.
- b) Based on the knowledge we obtained during our audit about the Company OFC AVIATION FUEL SERVICES S.A. and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

Athens, 8 May 2019

The Certified Public Accountant
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