

FORAMONIO LIMITED

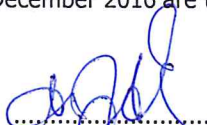
41 Arch. Makarios Avenue,
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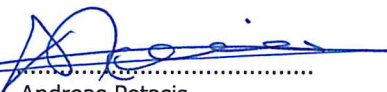
REPORT AND FINANCIAL STATEMENTS

The Management Report , the Auditor's report and the Financial Statements of the company for the year ended 31 December 2016 are true copies of those presented at the Annual General Meeting.

Signature


.....
Demetris Shacallis
Director

Signature


.....
Andreas Petasis
Secretary



Horwath DSP Limited
Member Crowe Horwath International

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FORAMONIO LIMITED

REPORT AND FINANCIAL STATEMENTS

31 December 2016

FORAMONIO LIMITED

REPORT AND FINANCIAL STATEMENTS

31 December 2016

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FORAMONIO LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Demetris Shacallis
Achilleas Malliotis

Company Secretary:

Andreas Petasis
28 Octovriou Street,
Office/flat 102,
2012, Nicosia, Cyprus

Independent Auditors:

Horwath DSP Limited
Certified Public Accountants and Registered Auditors
Photiades Business Centre
1st floor, 8 Stassinou Avenue
P.O. Box 22545
1522 Nicosia

Registered office:

41 Arch. Makarios Avenue,
1065 Nicosia
P.O. Box 27236
Cyprus

FORAMONIO LIMITED

MANAGEMENT REPORT

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

Principal activity and nature of operations of the Company

The principal activity of the Company, which is unchanged from last year, is the trading of properties.

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

The Company's development to date, financial results and position as presented in the financial statements are considered satisfactory.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company are disclosed in note 3 of the financial statements.

Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company has no significant concentration of credit risk. The Company has policies in place to ensure that sales of inventory is made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables.

Results and Dividends

The Company's results for the year are set out on page 6. The Board of Directors, following consideration of the availability of profits for distribution as well as the liquidity position of the Company, does not recommend the payment of a dividend and the net profit for the year is retained.

Share capital

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

Board of Directors

The members of the Company's Board of Directors as at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2016.

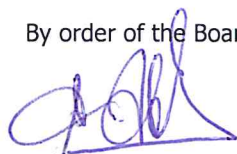
Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 15 to the financial statements.

Independent Auditors

The Independent Auditors, Horwath DSP Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



Demetris Shacallis
Director

Nicosia, 27 September 2017

Independent Auditor's Report

To the Members of Foramonio Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Foramonio Limited (the "Company"), which are presented in pages 6 to 14 and comprise the statement of financial position as at 31 December 2016, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Other Information

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

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

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

Responsibilities of the Board of Directors for the financial statements

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

Independent Auditor's Report (continued)

To the Members of Foramonio Limited

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:


- In our opinion, the management report, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the management report.

Independent Auditor's Report (continued)

To the Members of Foramonio Limited

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

A handwritten signature in blue ink, appearing to read 'Xenia Georgiou', is written over a horizontal line.

Xenia Georgiou FCA
Certified Public Accountant and Registered Auditor
for and on behalf of
Horwath DSP Limited
Certified Public Accountants and Registered Auditors

Nicosia, 27 September 2017

FORAMONIO LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2016

	Note	2016 €	2015 €
Revenue	5	1.510.000	-
Cost of sales		(1.433.728)	-
Gross profit		76.272	-
Administration expenses	6	(2.970)	(2.420)
Operating profit/(loss)		73.302	(2.420)
Net finance costs	7	(8.413)	(14.237)
Profit/(loss) before tax		64.889	(16.657)
Tax	8	(4.877)	-
Net profit/(loss) for the year		60.012	(16.657)
Other comprehensive income		-	-
Total comprehensive income/(expense) for the year		60.012	(16.657)

The notes on pages 10 to 14 form an integral part of these financial statements.

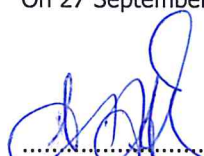
FORAMONIO LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2016

	Note	2016 €	2015 €
ASSETS			
Current assets			
Inventories	9	-	1.433.106
Refundable taxes	14	192	-
Cash at bank	10	34.071	-
Total assets		34.263	1.433.106
EQUITY AND LIABILITIES			
Equity			
Share capital	11	1.000	1.000
Retained earnings /(accumulated losses)		31.118	(28.894)
Total equity		32.118	(27.894)
Current liabilities			
Trade and other payables	13	2.145	4.481
Borrowings	12	-	1.456.519
Total equity and liabilities		34.263	1.433.106

On 27 September 2017 the Board of Directors of Foramonio Limited authorised these financial statements for issue.


.....
Demetris Shacallis
Director


.....
Achilleas Malliotis
Director

The notes on pages 10 to 14 form an integral part of these financial statements.

FORAMONIO LIMITED

STATEMENT OF CHANGES IN EQUITY

31 December 2016

	Share capital €	Retained earnings / (accumulated losses) €	Total €
Balance at 1 January 2015	1.000	(12.237)	(11.237)
Comprehensive income			
Net loss for the year	-	(16.657)	(16.657)
Balance at 31 December 2015/ 1 January 2016	1.000	(28.894)	(27.894)
Comprehensive income			
Net profit for the year	-	60.012	60.012
Balance at 31 December 2016	1.000	31.118	32.118

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

The notes on pages 10 to 14 form an integral part of these financial statements.

FORAMONIO LIMITED

CASH FLOW STATEMENT

31 December 2016

	2016	2015
Note	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	64.889	(16.657)
Adjustments for:		
Interest expense	7 <u>8.403</u>	14.237
	73.292	(2.420)
Changes in working capital:		
Decrease/(increase) in inventories	1.433.106	(43.829)
(Decrease)/increase in trade and other payables	<u>(2.336)</u>	1.865
Cash generated from/(used in) operations	1.504.062	(44.384)
Tax paid	<u>(5.069)</u>	-
Net cash generated from/(used in) operating activities	<u>1.498.993</u>	(44.384)
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	<u>(8.403)</u>	(14.237)
Net cash used in financing activities	<u>(8.403)</u>	(14.237)
Net increase/(decrease) in cash and cash equivalents	1.490.590	(58.621)
Cash and cash equivalents at beginning of the year	<u>(1.456.519)</u>	(1.397.898)
Cash and cash equivalents at end of the year	10 <u><u>34.071</u></u>	<u>(1.456.519)</u>

The notes on pages 10 to 14 form an integral part of these financial statements.

FORAMONIO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

1. Incorporation and principal activities

Country of incorporation

The Company Foramonio Limited (the "Company") was incorporated in Cyprus on 2 May 2013 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 41 Arch. Makarios Avenue, 1065 Nicosia, P.O. Box 27236, Cyprus.

Principal activity

The principal activity of the Company, which is unchanged from last year, is the trading of properties.

2. Significant accounting policies

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

Basis of preparation

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

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

Adoption of new and revised IFRSs

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

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

Revenue recognition

Revenue comprises the invoiced amount for the sale of inventory. Revenues earned by the Company are recognised on the following bases:

- **Sale of inventory**

Sale of inventory is recognised when significant risks and rewards of ownership of the inventory has been transferred to the customer, which is usually when the Company has sold inventory to the customer, the customer has accepted the inventory and collectability of the related receivable is reasonably assured.

Finance costs

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

FORAMONIO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

2. Significant accounting policies (continued)

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Financial instruments

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

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise deposits held at call with banks and bank overdrafts. In the statement of financial position, bank overdrafts are included in borrowings in current liabilities.

Inventories

Inventories include land under development and are stated at the lower of cost and net realisable value. The cost of land under development comprise the cost of acquiring the land, the transfer fees and the development costs.

Share capital

Ordinary shares are classified as equity.

3. Financial risk management

Financial risk factors

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

3.1 Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company has no significant concentration of credit risk. The Company has policies in place to ensure that sales of inventory is made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables.

3.2 Capital risk management

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

4. Critical accounting estimates and judgments

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

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

FORAMONIO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

4. Critical accounting estimates and judgments (continued)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Income taxes**

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

5. Revenue

	2016	2015
	€	€
Sale of inventory	<u>1.510.000</u>	-
	<u>1.510.000</u>	-

6. Expenses by nature

	2016	2015
	€	€
Changes in inventories of finished goods and work in progress	1.433.728	-
Professional fees - current year	2.023	2.023
Professional fees - prior years	-	(238)
Annual levy	350	350
Administration expenses	887	80
Other professional fees	5.950	4.760
Reimbursement of expenses	(5.950)	(4.760)
Immovable property tax	64	205
Accounting fees - prior year	(354)	-
Total expenses	<u>1.436.698</u>	<u>2.420</u>

7. Finance costs

	2016	2015
	€	€
Interest expense	8.403	14.237
Sundry finance expenses	<u>10</u>	-
	<u>8.413</u>	<u>14.237</u>

8. Tax

	2016	2015
	€	€
Corporation tax - current year	<u>4.877</u>	-
Charge for the year	<u>4.877</u>	-

FORAMONIO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

8. Tax (continued)

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

	2016 €	2015 €
Profit/(loss) before tax	<u>64.889</u>	<u>(16.657)</u>
Tax calculated at the applicable tax rates	8.111	(2.082)
Tax effect of expenses not deductible for tax purposes	65	69
Tax effect of tax losses brought forward	(3.299)	-
Tax effect of tax loss for the year	-	2.013
Tax charge	<u>4.877</u>	<u>-</u>

The corporation tax rate is 12,5%.

9. Inventories

	2016 €	2015 €
Land for resale	-	1.433.106
	<u>-</u>	<u>1.433.106</u>

The cost of inventories recognised as expense and included in "cost of sales" amounted to €1.433.728 (2015: € -).

Inventories are stated at cost.

10. Cash at bank

	2016 €	2015 €
Cash at bank	<u>34.071</u>	-
	<u>34.071</u>	<u>-</u>

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

	2016 €	2015 €
Cash at bank	34.071	-
Bank overdrafts (Note 12)	-	(1.456.519)
	<u>34.071</u>	<u>(1.456.519)</u>

11. Share capital

	2016 Number of shares	2016 €	2015 Number of shares	2015 €
Authorised				
Ordinary shares of €1 each	<u>5.000</u>	<u>5.000</u>	5.000	5.000
Issued and fully paid				
Balance at 1 January	<u>1.000</u>	<u>1.000</u>	1.000	1.000
Balance at 31 December	<u>1.000</u>	<u>1.000</u>	1.000	1.000

FORAMONIO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

12. Borrowings

	2016 €	2015 €
Current borrowings		
Bank overdrafts (Note 10)	<u>-</u>	<u>1.456.519</u>

13. Trade and other payables

	2016 €	2015 €
Accruals	2.025	2.024
Other creditors	<u>120</u>	<u>2.457</u>
	<u>2.145</u>	<u>4.481</u>

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

14. Refundable taxes

	2016 €	2015 €
Corporation tax	<u>192</u>	<u>-</u>
	<u>192</u>	<u>-</u>

15. Events after the reporting period

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

Independent auditor's report on pages 3 to 5