MOTODYNAMICS S.A.

ANNUAL FINANCIAL REPORT
OF THE COMPANY & THE GROUP
FOR THE YEAR FROM 1 JANUARY TO 31 DECEMBER 2018

Société Anonyme
EMPORIKI EISAGOGIKI AFTOKINITON
DITROHON kai MIHANON THALASSIS S.A.
under distinctive title "MOTODYNAMICS S.A."
General Commercial Register No.
122090707000
Aspropyrgos, Kyrillos location – 19300

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DIRECTORS' STATEMENTS
(pursuant to Article 4(2)(c) of Law 3556/2007)

The undersigned below, Messrs:

1. Paris Kyriakopoulos, Chairman of the Board of Directors
2. Sotirios Hatzikos, Chief Executive Officer, and
3. Nikolaos Sokratis Labroukos, member of the Board of Directors, especially nominated for this purpose by the Board of Directors during today's meeting (5 April 2019)

STATE THAT

To the best of our knowledge:

1. The attached annual financial statements of the Company and the Group MOTODYNAMICS S.A. for the period 1 January 2018 and 31 December 2018, drawn up in accordance with the applicable International Financial Reporting Standards, as endorsed by the European Union, provide the true picture of the assets and liabilities, the net equity and the results of the Company, as well as of the companies included in the consolidation taken overall, pursuant to the provisions of Article 4 of Law 3556/2007.
2. The Board of Directors' annual report provides a true picture of the development, performance and position of the Company and of the companies included in the consolidation overall, including descriptions of the main risks and uncertainties they are confronted with.

Aspropyrgos, 05 April 2019

Kyriakopoulos Paris	Hatzikos Sotirios	Labroukos Nikolaos-Sokratis
BoD Chairman	Chief Executive Officer	BoD Member

ANNUAL REPORT
OF THE BOARD OF DIRECTORS FOR THE YEAR 1/1—31/12/2018

Dear Shareholders,
The Board of Directors' annual report pertains to the fiscal year 2018 (1 January to 31 December 2018) and has been prepared in accordance with the applicable provisions of both Codified Law 2190/1920 (Article 107(3), since the company draws up consolidated financial statements), and Law No 3556/2007 (Article 4(6)) as well as Implementing Decisions No 1/434/3-7-2007 and 7/448/11-10-2007 of the Hellenic Capital Market Commission's Board of Directors.

This report includes all significant individual thematic sections that are required, pursuant to the aforementioned legislative framework, and provides a true picture of all information required by the law, in order to provide substantial and well-documented information about activity during the period in question and the overall progress of "MOTODYNAMICS S.A." (hereinafter referred to as the Company) and the Group, in which the following companies are consolidated:

1. MOTODIKTYO S.A. having its registered office in Greece and a participating interest of 100%
2. MOTODYNAMICS SRL having its registered office in Romania and a participating interest of 100%
3. MOTODYNAMICS LTD having its registered office in Bulgaria and a participating interest of 100%
4. LION RENTAL S.A. having its registered office in Greece and a participating interest of 80.5%

The Report is included in its entirety, together with the Company and Group financial statements and other data and declarations of the Annual Financial Report as required by law, pertaining to the fiscal year 2018.

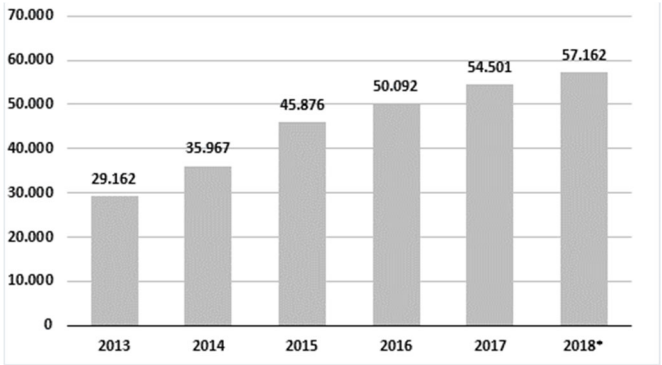
1) Overall course of the Group and the Company during 2018

The year 2018 was a milestone for the Group. By the acquisition of a 80.5% holding in Lion Rental S.A. (an exclusive franchisee of Sixt GmbH for Greece), the Group has now considerably expanded its figures and at the same time is active in a new, rapidly growing sector, that of car rental. The car rental business, with revenues mainly derived from incoming tourism, has recorded strong growth over time, even during the recent financial crisis.

However, in addition to the pivotal importance of the acquisition of the new business activity, the Group has also shown positive development and improvement in the key figures for 2018 in all sectors in which it is active, continuing the spectacular recovery course of the previous years.

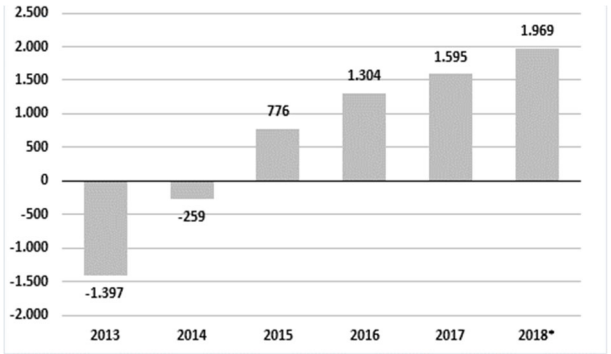
Group Sales Development

in thousand



Group Operating Profitability Development

in thousand



* Excluding Lion Rental

It should be borne in mind that the holding in Lion Rental was acquired on 30 November 2018. Therefore, only the month of December was consolidated in Group results, and it is known that this month is not a representative sample of the year as a whole, given the high seasonality of the sector. Consequently, to make it easier and, in the opinion of the Management, to provide a more accurate comparison with the Group's figures for 2017, the following tables present the main income statement and balance sheet accounts separately, both before and after the consolidation of Lion Rental's results.

Income Statement:

	GROUP			
	31 December 2018			31 December 2017 RESTATED
	Group	Lion Rental SA	Group EXCL. LION RENTAL	
Turnover	**59 481 086.88**	**2 318 630.85**	**57 162 456.03**	**54 501 456.37**
Gross Profit	10 874 614.24	-763 797.90	11 638 412.14	10 844 414.28
% on the sales	*18.3%*	*-32.9%*	*20.4%*	*19.9%*
Earnings Before Interest, Taxes, Depreciation	1 932 240.65	-1 067 851.63	3 000 092.28	2 605 733.30
% on the sales	*3.2%*	*-46.1%*	*5.2%*	*4.8%*
Operating profits	746 677.46	-1 222 652.23	1 969 329.69	1 595 301.61
% on the sales	*1.3%*	*-52.7%*	*3.4%*	*2.9%*
Results before tax	**185 596.80**	**-1 273 847.62**	**1 459 444.42**	**1 077 408.56**
Results after tax	**-35 483.93**	**-1 052 194.23**	**1 016 710.30**	**1 130 440.47**

	COMPANY	
	31 December 2018	31 December 2017 RESTATED
Turnover	**53 770 967.73**	**52 209 745.13**
Gross Profit	9 659 876.18	8 943 516.42
% on the sales	*18.0%*	*17.1%*
Earnings Before Interest, Taxes, Depreciation	2 593 796.15	2 132 184.59
% on the sales	*4.8%*	*4.1%*
Operating profits	1 723 023.63	1 237 895.94
% on the sales	*3.2%*	*2.4%*
Profit/Loss before taxes	**1 252 668.15**	**749 889.20**
Profit after tax	**899 526.31**	**814 708.01**

Turnover:

For the **Group (excluding Lion Rental)**, turnover stood at € 57,2 million in 2018, compared to € 54,5 million in 2017, an increase of 4.9%. The parent company's turnover for the same period increased by 3.0% and amounted to € 53,8 million, compared to € 52,2 million in 2017.
The sales of cars (Porsche) and outboard motors (Yamaha), as well as international activities (Romania, Bulgaria), recorded strong growth, while the sales of motorcycles (Yamaha) remained at the same levels in 2018.
With the consolidation of Lion Rental, Group turnover in 2018 amounted to € 59,5 million.

Gross profit:

For the **Group (excluding Lion Rental)**, gross profit amounted to € 11,6 million in 2018, compared to € 10,8 million in 2017, showing an increase of 7.3%, while the percentage rate on sales also improved. Accordingly, the parent company's gross profit in 2018 amounted to € 9,7 million, compared to € 8,9 million in 2017, showing an increase of 8%, in this case with a respective increase in the percentage rate on sales.
As already noted, December is a loss-making month for the car rental business (due to intense seasonality) and therefore consolidation adversely affected Group results. Following the consolidation of Lion Rental, the Group's gross profit stood at € 10.9 million.

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

		31 December 2018 GROUP		
	GROUP	**Lion Rental SA**	**GROUP EXCL. LION RENTAL**	**31 December 2017 RESTATED**
Profit after tax	-35.483,93	-1.052.194,23	1.016.710,30	1.130.440,47
Taxes	-221.080,73	221.653,39	-442.734,12	53.031,91
Interest	-561.080,66	-51.195,39	-509.885,27	-517.893,05
Depreciation	1.185.563,19	-154.800,60	-1.030.762,59	-1.010.431,69
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	**1.932.240,65**	**-1.067.851,63**	**3.000.092,28**	**2.605.733,30**
% on the sales	***3,2%***	**-46,1%**	***5,2%***	***4,8%***

	COMPANY	
	31 December 2018	**31 December 2017 RESTATED**
Profit after tax	899.708,01	814.708,01
Taxes	-353.141,84	64.818,81
Interest	-470.355,48	-488.006,74
Depreciation	-870.772,52	-894.288,65
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	**2.593.977,85**	**2.132.184,59**
% on the sales	***4,8%***	***4,1%***

For the **Group (excluding Lion Rental)**, EBITDA amounted to € 3 million in 2018, compared to € 2,6 million in 2017, an increase of 15.1%, while their percentage rate on sales also improved. Accordingly, the parent company's EBITDA in 2018 amounted to € 2,6 million, compared to € 2,1 million in 2017, increasing by 21.6%, and also recording an improvement in the percentage rate on sales.
As already noted, December is a loss-making month for the car rental business (due to intense seasonality) and therefore consolidation adversely affected Group results. Following the consolidation of Lion Rental, the Group's EBITDA amounted to € 1,9 million.

Operating profits

For the **Group (excluding Lion Rental)**, operating profits amounted to € 2 million in 2018, compared to € 1,6 million in 2017, increasing by 23.4%, while the percentage rate on sales was also improved. Accordingly, the parent company's operating profits in 2018 amounted to € 1,7 million, compared to € 1,2 million in 2017, an increase of 39.2%, and here also showed improvement of the percentage rate on sales.
As already noted, December is a loss-making month for the car rental business (due to intense seasonality) and therefore consolidation adversely affected Group results. Following the consolidation of Lion Rental, the Group's operating profits amounted to € 746 thousand.

Net profit before tax:

For the **Group (excluding Lion Rental)**, profit before tax stood at € 1,5 million in 2018, compared to € 1,1 million in 2017, showing an increased of 35.5%. Similarly, the parent company's profit before tax amounted to € 1,3 million in 2018, compared to € 750 thousand in 2017, up by 67%.
As already noted, December is a loss-making month for the car rental business (due to intense seasonality) and therefore consolidation adversely affected Group results. Following the consolidation of Lion Rental, the Group's profit before tax amounted to € 186 thousand.

Net profit after tax:

For the **Group (excluding Lion Rental)**, profit after tax stood at € 1 million in 2018, compared to € 1,1 million in 2017. The fall is due to the fact that deferred tax benefits from previous year losses, which were recognised up to 2017, are now exhausted by the profitability shown in 2018.
As already noted, December is a loss-making month for the car rental business (due to intense seasonality) and therefore consolidation adversely affected Group results. Following the consolidation of Lion Rental SA, the Group presents marginal losses of € 35 thousand.

Long-term assets:

	GROUP			
	31 December 2018			31 December 2017 RESTATED
	Group	Lion Rental SA	Group EXCL. LION RENTAL	
Intangible Assets	15 965 732.69	10 808 685.94	5 157 046.75	4 547 184.12
Intangible assets	582 448.47	31 492.60	550 955.87	608 230.89
Deferred tax assets	6 194 757.93	4 962 684.83	1 232 073.10	1 602 494.59
Other long-term assets	2 260 338.01	1 181 058.08	1 079 279.93	1 305 671.13
	25 003 277.10	**16 983 921.45**	**8 019 355.65**	**8 063 580.73**
Goodwill	2 544 250.59			
Total long-term assets	**27 547 527.69**	**16 983 921.45**	**8 019 355.65**	**8 063 580.73**

In 2018, the **Group**'s long-term assets **(excluding Lion Rental)** remained at the same levels as 2017. However, following the consolidation of Lion Rental, long-term assets were significantly increased by the fleet of vehicles acquired, as well as by the deferred tax assets from accumulated prior year losses.

Working capital:

	GROUP			
	31 December 2018			31 December 2017 RESTATED
	Group	Lion Rental SA	Group EXCL. LION RENTAL	
Inventories	11.360.957,22	-	11.360.957,22	12.649.766,59
Trade accounts receivable	8.103.485,74	5.136.372,21	2.967.113,53	2.759.541,67
Other receivables	4.518.595,49	3.912.350,28	606.245,21	503.835,90
	23.983.038,45	**9.048.722,49**	**14.934.315,96**	**15.913.144,16**
Trade payables	12.296.344,16	6.490.300,66	5.806.043,50	6.635.631,74
Other short-term payables	3.448.710,77	1.192.511,63	2.256.199,14	2.023.393,85
	15.745.054,93	**7.682.812,29**	**8.062.242,64**	**8.659.025,59**
Working capital	**8.237.983,52**	**1.365.910,20**	**6.872.073,32**	**7.254.118,57**
% on the sales	*13,8%*	*n/a*	*12,0%*	*13,3%*

In 2018, the **Group**'s working capital **(excluding Lion Rental)** was improved both as an absolute amount and as a percentage rate of the sales, confirming management's focus on creating cash flows. The impact of Lion Rental's consolidation is low.

Net borrowing:

	GROUP			
	31 December 2018			
	Group	Lion Rental SA	Group EXCL. LION RENTAL	31 December 2017 RESTATED
Long-term loans	18.000.000,00	18.000.000,00	-	-
Short-term loans	5.562.487,94		5.562.487,94	6.464.462,63
Cash and cash equivalents	-15.144.739,19	-14.867.979,50	-276.759,69	-285.641,80
	8.417.748,75	**3.132.020,50**	**5.285.728,25**	**6.178.820,83**
Borrowing for participation in Lion Rental	15.000.000,00			
Net borrowing	**23.417.748,75**	**3.132.020,50**	**5.285.728,25**	**6.178.820,83**
% on the capital employed	*68,0%*	*17,8%*	*36,9%*	*41,8%*

Profitability and reduction in working capital resulted in a decrease in net borrowing of the **Group (excluding Lion Rental)** to € 5.3 million, namely 37% of capital employed. However, following consolidation of Lion Rental, borrowing amounts to € 23.4 million. Lion Rental's cash and cash equivalents are intended for use in the acquisition of a new fleet of vehicles, while any further needs will be covered by a new line of financing amounting to € 10 million, which has already been secured with a 10-year term.
It is also worth noting that procedures are in progress for increasing the share capital by up to € 10 million, in accordance with decision of 19 December 2018 made by the Company's Annual General Meeting. The share capital increase in question is expected to have been completed during the first six months of 2019 and the funds to be raised are to be spent on reduction of short-term borrowing obtained to finance participation in Lion Rental.

Capital employed:

	GROUP			
	31 December 2018			
	Group	Lion Rental SA	Group EXCL. LION RENTAL	31 December 2017 RESTATED
Net borrowing	23 417 748.75	3 132 020.50	5 285 728.25	6 178 820.83
Equity	11 009 328.66	14 430 787.90	9 034 290.17	8 594 323.48
Total capital employed	**34 427 077.41**	**17 562 808.40**	**14 320 018.42**	**14 773 144.31**
*Return on equity (before tax)**	*1.7%*	*-8.8%*	*16.2%*	*12.5%*
*Return on capital employed (before tax)**	*2.2%*	*-7.0%*	*13.8%*	*10.8%*

* Return on equity (before tax): profit before tax/equity
Return on capital employed (before tax): Operating profit/total capital employed

In 2018, the **Group (excluding Lion Rental)** recorded a considerable increase both in the return on equity and in the total capital employed. As regards the Group figures for 2018 following the consolidation of Lion Rental, these ratios are not important due to the short period (just one month) of participation in Lion Rental, as well as the high seasonality already mentioned.

2) Report on significant events taking place during the fiscal year, as well as after its end up to the date of preparation hereof

The Ordinary General Meeting of the Company's Shareholders was held on 24 May 2018 and approved the annual financial statements of the company and the group for the fiscal year 1 January 2017 to 31 December 2017, the Board of Director's Management Report, the Chartered Auditor's Report, discharge of directors and auditors from liability, election of new auditors for the fiscal year 1 January 2018 to 31 December 2018, reduction of share capital by the amount of four hundred sixty-eight thousand euros (€ 468.000.00) by reducing the nominal value of the shares, intended for repayment of capital to shareholders in cash in the amount of € 0.04 per share. The meeting also approved the election of members of the Board of Directors, the appointment of

members of the audit committee, resolved not to distribute dividends, approved payment of fees to the members of the Board (pursuant to Article 24(2) of Law 2190/20) and the issue of new bond loans.

On 30 November 2018, the Company participated in the share capital increase of Lion Rental S.A. by € 15 million, which it duly paid up on 3 December 2018, acquiring a 80.5% holding, while the former shareholders retained the remaining 19.5%. Moreover, under the same agreement, the lending banks have agreed to a reduction in the outstanding loans (both long-term and short-term) of Lion Rental amounting to € 18 million, with refinancing over 10 years, and the granting of a new line of credit amounting to € 10 million, also over 10 years.

On 19 December 2018, an extraordinary General Meeting of Shareholders was held, which resolved to increase share capital by up to € 10 million, which is to be used to reduce the company's short-term borrowing.

3) Expected course of the Group

In 2019, particularly following the acquisition of Lion Rental, it is expected that the Group will continue its positive growth path in the markets where it operates, and will continue to improve its financial results. The above estimates concerning the improvement of the financial figures of the Group are directly dependent on the financial and political environment in Greece and in the markets where the Group operates.

4) Statement of corporate governance
Introduction

'Corporate Governance' is the regulatory framework that describes the manner in which companies are managed and controlled. In Greece in particular, the framework of corporate governance has been developed primarily through the adoption of mandatory rules such as Law 3016/2002, which requires the participation of non-executive and independent executive directors in the Boards of Directors of Greek companies whose shares are traded on a regulated market, as well as the establishment and operation of an internal audit unit and the adoption of an internal operating regulation. In addition, other more recent pieces of legislation have transposed EU company law directives into Greek law, establishing new rules of corporate governance, such as Law 3693/2008 requiring the setting up of audit committees and important disclosure requirements regarding the ownership and governance of a company, and Law 3884/2010 relating to shareholders' rights and additional requirements for corporate disclosures to shareholders during the preparation of a general meeting. Finally, the most recent Law 3873/2010 transposed EU Directive 2006/46/EC into Greek Law, thus acting as a reminder of the need to establish a Code of Corporate Governance.

The company has established and maintains high standards of corporate governance, in compliance with the requirements and provisions of the above legislative documents, to ensure transparency in financial management and operation, increase its reliability and business prestige and ultimately increase the value of its shares. At its meeting of 23 March 2011, the Board of Directors of MOTODYNAMICS SA approved the company's Code of Corporate Governance, which has been posted on the company's website www.motodynamics.gr since the date of its approval.

The Company hereby confirms that it applies strictly and faithfully the provisions of Greek law (Codified Law 2190/1920, Law 3016/2002 and Law 3693/2008) which form the minimum requirements to be met by any corporate governance code applied by a Company the shares of which are traded on a regulated market.
As regards these additional practices and principles, there currently exist certain deviations (including non-application), which are summarised and the reasons justifying them are explained below.

A) The Board of Directors and its function

In compliance with the relevant legislation, Laws 3016/2002 and 3693/2008, the Board of Directors consists of seven (7) members: three (3) executive members, one (1) non-executive member and three (3) independent non-executive members. The Board members are elected by the General Meeting of shareholders for a three-year term of office which may be extended until the end of the period within which the immediately following Annual General Meeting must meet. The current Board of Directors was elected by the ordinary General Meeting of Shareholders of 24 May 2018 on expiry of the term of office of the previous Board. The term of office of the above elected Board of Directors was set at three years, but this may be extended automatically until the convening of the immediately following Ordinary General Meeting (after expiry of the three-year term).

The executive members are the Chairman and the Vice-Chairman of the Board of Directors and the Company's CEO.

The non-executive directors form the majority of the Board and are responsible for overseeing corporate activities. They are selected from among professionally acclaimed individuals in business and academic circles, with domestic and international experience, based on criteria of level of education and reputation. Accordingly, these members are presumed to be able to express unbiased and objective views on corporate affairs. There is no committee to nominate to the Board of Directors, since such a committee is currently not considered to be necessary, given the structure and operation of the company.

The Board of Directors meets at least six times per year, based on a timetable which is communicated to members at the beginning of the year. The role of secretary, who is responsible for keeping an accurate record of Board of Directors meetings, is undertaken by the current legal advisor of the company.

Information about the members of the Board:

Paris Kyriakopoulos - Chairman of the Board of Directors

He has B.A. degrees Cum Laude in Philosophy, Politics, Economics (PPE) from the University of Pennsylvania in Philadelphia, PA, USA and MBA with High Distinction in Business Management from the Harvard Business School in Cambridge, MA, USA. Between 2010 and 2015, he served as the General Manager of the FiberLean, Filtration & Performance Additives sector of IMERYS S.A., established in Paris. Since 2016 he has been serving as the CEO of the company FiberLean Technologies Ltd., with registered office in St. Austell, Cornwall, UK. Between 2005 and 2008 he was a business consultant with the Boston consulting Group in Vienna, Austria. He is a member of the BoD of the ALBA association since 2013.

Ioannis Tavoularis, Vice-chairman, executive member of the Board of Directors

He holds a Master in Political Sciences from Boston University. He also holds a BS in Economics from Bentley University. He is Member of the BoD of NEORION HOLDINGS S.A., Member of the Board of MOTODYNAMICS SA since 2007, Member of the SOCIAL AFFAIRS COMMITTEE (SAC) (EU) since 2005, and Member of the AEROSPACE & DEFENSE INDUSTRIES ASSOCIATION OF €OPE (ASD) since 2005. He has also served as Member of the Board of Hellenic Federation of Enterprises (SEV) between 2002 and 2008 (Treasurer from 2006 to 2008), and a Member of the Board of the EC PROFESSIONAL CHAMBER OF THE ENTERPRISE POLICY GROUP from 2003 to 2007.

Sotirios Hatzikos, CEO

He is the CEO of MOTODYNAMICS SA since January 2008. From 1994 to 2007 he worked in S&B INDUSTRIAL MINERALS SA (formerly Silver & Baryte Ores Mining Co. SA) where he was lately Chief Financial Officer of the Group. He has previously worked in England for the multinational group of industrial gases AIR PRODUCTS PLC as Manager, European Treasury Operations. He has also taught "Mergers & Acquisitions" in the Professional MBA of the Athens Laboratory of Business Administration (ALBA) for many years. He graduated from the Aristotle University of Thessaloniki with honors in Economics and Business Administration. He holds a Master of Business Administration (MBA) from the Manchester Business School.

Lefkothea Varangi, Independent non-executive member of the Board of Directors

She studied agricultural economics in England. She worked for VARANGIS AVEPE in the retail department and was responsible for the After Sales Service. For two years she was a member of the BoD. In 1985 she jumped into the apparel industry and established ENDYMATOPITIKI SA, a company that designed, manufactured and sold in retail THE BOSTONIANS brand. She has also served as member of the Board of SPORTSMAN, which took over the distribution of THE BOSTONIANS in Greece, and remained in the retail management for other brands of the company as well. She continued in NOTOS COM HOLDINGS developing the store network of branded collections that the Group represents in Romania, Skopje and Kosovo. Meanwhile, she was responsible for stores in Greece, especially those that operate within shopping centers. She is currently working for the creation of branded agricultural quality products and their distribution network.

Nikolaos-Sokratis Labroukos, Independent non-executive member of the Board of Directors

Nikolaos - Sokratis Labroukos is a Licensed Mechanical Engineer - Production Engineer (NTUA), and holder of a Masters in Business Administration (Manchester Business School), a doctorate (PhD) and postdoctoral diploma (London Business School).
He is a founding member, shareholder and chairman of BPM SA business consultants, a member of the Board of Quest Holdings SA, a Venture Partner in Odyssey Venture Partner Fund, and a founding member of startups, real estate development and educational service companies. He has served as Executive Director of the INTRACOM Holdings Group, CEO of INTRACOM IT Services Group, Chairman of Attica Telecommunications, INTRACOM IT Services Denmark, INTRACOM Jordan, Encode SA, and an executive member of the Boards of INTRACOM Telecom, Hellas on Line, Intrakat, etc. He has been Research Fellow at the London Business School, has taught at the Athens University of Economics and Business and has published papers in international scientific journals. He is a member of the Board of Directors of the Foundation for Economic & Industrial Research and has been a member of the General Council of the Hellenic Federation of Enterprises and the Board of the Hellenic Association of Management Consulting Firms.

Christos Avramidis - Non Executive Member of the BoD

He has a PhD in Finance from the University of Reading (1995). He has a Master's in Business Economics, from the University of Reading (1990) and is a graduate of Deree College, with distinction in Economics (1989). He worked in Sigma Chrimatistiriaki from 1998-2000 as macroeconomic analysis manager and at ABN AMRO from 2000 to 2001, as finance analysis and investment strategy manager for Greece and the Balkans. From 2001 to 2012, he worked in the PROTON Bank Group, as Analysis Manager,

Strategic Planner and Investment Relations Manager and Vice-chairman of the BoD and General Manager of PROTON Asset Management S.A. He has also served as Vice-Chairman of the BoD of Omega S.A. listed in ATHEX. Since March 2012 he has been working as a Consultant in ORYMIL S.A.

Theodoros Akiskalos - Independent Non-Executive Member of the BoD

Since 2010, he has worked for the multinational brewery group Carlsberg, where he is the CEO of Carlsberg Sverige since 2016. This is the largest company that produces/promotes beer products, soft drinks and bottled water in Sweden, headquartered in Stockholm. He was the CEO of the Company for the markets of Hongkong, Taiwan, and Macau, headquartered in Hong Kong, and Head of Strategic Planning of the Group based in Copenhagen. From 2004 to 2010, he worked at McKinsey & Company based in Boston and, over the last 2 years, he was an Associate Principal focused on the sectors of consumer products and private equity. He has also worked as a mechanical engineer at General Electric Aircraft Engines and Power Systems in the US. He holds a Bachelor's and a Master's degrees from the Department of Mechanical Engineering of Georgia Tech and MIT, respectively with distinctions, as well as an Executive MBA from INSEAD.

To ensure more efficient operation of the Board of Directors, but without affecting its consistency, the following Supervisory Committees have been set up and are in operation, which report to the Board of Directors as a collective body.

1. Control or Audit Committee:

It supports the work of the Board in fulfilling its supervisory responsibilities:

- Reviewing the financial statements (annual and interim) prior to final approval by the Board.
- Ensuring compliance of the company with current legislation.
- Monitoring and evaluating internal and external audits of the company to ensure the quality and independence of the audit work.

Following entry into force of Law 3693/2008, Article 37(1) thereof provides for the establishment and maintenance of an Audit Committee for any 'public entity', i.e. any organisation governed by the law of a Member State which has listed its transferable securities on a regulated market of any Member State.
The Company's Audit Committee consists of 3 to 5 members.
Following entry into force of Law 3693/2008 (Article 37(1) the Committee comprises at least two non-executive members and one independent non-executive member of the Board of Directors.
The members of the Audit Committee must be appointed by the General Meeting (under Law 3693/2008).
The Committee meets at least four (4) times a year, on issue and before publication of the annual, bi-annual and quarterly financial statements. It may also meet on an extraordinary basis whenever the circumstances so require. The Committee meets at the invitation of its Chairman. An agenda is prepared for the meetings, which contains the necessary information so that the Committee members are prepared and informed. Members are required to attend all meetings. Participation by proxy is not permitted. Decisions are made by an absolute majority of attending members. In case of a tie, the Chairman has the casting vote. Members of the Management, internal or external audit executives of the company or any other executives, as the Committee may consider appropriate, may be invited to and attend Committee meetings without the right to vote. The Chairman of the Committee communicates the minutes of the meetings to the Board. The members of the Audit Committee have knowledge and experience in finance, accounting or auditing and are also familiar with the business objectives of the Group. The Audit Committee has the same term of office as the Board of Directors, and may be entitled to special fees. The amount of such fees is determined by decisions of the General Meeting and the Board of Directors of the Company.

The main responsibilities of the committee are to:

- Monitor the financial reporting procedure (competence under Law 3693/2008);
- Monitor the implementation of the recommendations and suggestions of the internal and external auditors by the executive management;
- Follow up the statutory audit of the separate and consolidated financial statements (competence under Law 3693/2008);
- Review the accuracy, reliability and completeness of the annual and interim (semi-annual and quarterly) financial statements provided by the decisions of the HCMC and the applicable legislation, and propose their publication;
- Evaluate external auditors, ensure their independence, qualifications and audit quality, make relevant recommendations to the Board of Directors on continuation or termination of the company's cooperation with them;
- Monitor the effective operation of internal audit and risk management system (competence under Law 3693/2008);
- Evaluate the internal audit, obtain views of the executive management and the external auditors on the effectiveness of internal audit;
- Consider the findings of internal audit and report to the Board of Directors in accordance with Law 3016/2002.
- Examine any findings of any audit performed by national regulatory authorities;
- Ensure rotation of external auditors in accordance with the requirements of applicable laws;
- Ensure smooth operation of the company's internal audit, oversee operations, provide guidance, ensure that the internal audit program covers the main areas of business risks; Ensure coordination of internal audit with the external auditors;
- Update (regularly) the BoD on its activities;

- Review and identify any deficiencies in the audit systems and the related methodology of the company and the group, based on the findings of the internal audit Report;
- Review the Company's compliance with its legal obligations and the strict application of the principles and procedures of the Group's Corporate Governance system, and make recommendations to the BoD for any required modification;
- Review the company's policies and practices, identify, assess and manage risks; Inform the Management;
- Make proposals for the selection of external auditors, the determination of their fees and their discharge;
- Review and monitor issues related to the existence and maintenance of objectivity and independence of the statutory auditor or audit firm (competence under Law 3693/2008).

2. Remuneration Committee:

The object of this committee is to make proposals to the BoD on the remuneration system for retaining and attracting appropriate company staff. The committee consists of 3 to 5 executive, non-executive or independent non-executive members. It meets regularly once per year and on an extraordinary basis whenever the circumstances so require. It meets upon notice of its Chairman and the agenda is prepared, containing the necessary information so that its members are prepared and informed. Members are required to attend all meetings and may not participate by proxy. Decisions are made by an absolute majority of attending members, while in case of a tie, the Chairman has the casting vote.
The Chairman of the BoD, the CEO and other company executives, as the committee may consider appropriate, may be invited to and attend Committee meetings without the right to vote. The Chairman of the Committee communicates the minutes of the meetings to the Board. The committee has the same term of office as the Board of Directors.
Key competences and obligations:

- Make proposals to the Board of Directors about the remunerations of senior executives.
- Make proposals to the Board of Directors about the general remuneration policy in relation to the Group's staff.

The CEO, whose role is very specific, exercises the powers conferred by the Company's Board of Directors.
The CEO reports to the Board of Directors and he also serves as the General Manager.
The Directors, the individual Divisions and the Departments reporting to the Company's CEO - General Director are:

- Yamaha Division Manager
- Porsche Division Manager
- Retail Division & International Operations Manager
- CFO
- HR Manager
- IT Manager

B) The role of the CEO is described below:

The CEO reports to the Company's Board of Directors. He determines the Group's business and operational strategy and proposes it to the Board of Directors. He is responsible for the overall supervision and direction of the Group's activities and operations, and ensures the effective development and management of available financial and human resources. At the same time, he handles the Group's relations with shareholders, investors, partners and government agencies, ensuring the protection of the Group's interests and the improvement of its prestige.
The main responsibilities of the CEO can be summarised as follows:

- He designs and implements the long-term strategy of "MOTODYNAMICS" Company and Group to achieve the core mission, the interests of shareholders and to ensure profitable growth of the Group in the domestic and European markets;
- He presents the financial results to the Board of Directors; He presents new business opportunities to the competent bodies in order to achieve the Company's penetration into new markets and ensure the Group's profitable growth;
- He sees to the achievement of the Company's annual goals by directing its divisions, ensuring their effective and efficient operation and that their individual goals are in line with those of the "MOTODYNAMICS" Group;
- He assesses the Group's overall effectiveness, reviews the Effectiveness-Efficiency ratio of existing functions, he is responsible for reviewing and processing Organisational and Operational matters;
- He develops and manages relationships with stakeholders (suppliers, customers, partners - dealers, etc.) in order to promote the interests of the Group;
- He ensures the orderly operation of the Company, as well as the adherence to all policies and internal regulations of the "MOTODYNAMICS" Group;
- He assesses and evaluates the effectiveness of the Company's managers based on the strategic goals and results of the Company as a whole and of each unit in particular.

Directors' duties and behaviour:
a. Directors and any third person to whom the BoD has delegated any of its responsibilities, as well as the Managers, may not pursue own interests which contradict the interests of the Company.
b. Directors and any other third person to whom the BoD has delegated any of its responsibilities, as well as the managers must promptly disclose to the other Directors their own interests, as these may arise from Company transactions, which fall within their

duties and any other conflict of interests with those of the Company or affiliated companies within the meaning of Article 42e(5) of Law 2190/1920, arising in the performance of their duties.
c. Directors, by means of a written notice to the Chairman, or by way of declaration to be recorded in the minutes of the Board of Directors meeting, must report to the Board of Directors all kinds of conflicts of interest with the interests of other companies, including the interests of the Group of companies to which it belongs, as well as the interests that may arise from significant Company transactions of which they are aware. Directors must notify the BoD of their intentions to conduct significant transactions and financial activities related to the Company, as well as to major customers or suppliers.
d. The Chairman of the BoD will be responsible for any further arrangements which may include abstention from the discussion and abstention from any voting procedure.

There is no requirement for regular meetings between the Chairman of the BoD and non-executive directors without the presence of executive directors in order to discuss the performance and remunerations of the latter, as all issues are discussed in the presence of all members.
No provisions have been made for the existence of introductory programs for new BoD members or the ongoing professional education and training for other members, considering that the persons proposed for election have sufficient experience and proven organisational and administrative skills.

C) Internal Audit and Risk Management System

The Board of Directors (the "Board") places particular emphasis on systems of internal audit and risk management, for which it is responsible, while such systems are monitored, among others, by receiving periodic reports on their operation.

The Board is responsible for the identification, assessment and monitoring of risks the Company faces and for the management thereof. In addition to the periodic audits related to risk management, the Board is informed by the executive members with respect to serious issues of audit, accidents or incidents, new or otherwise, which may have significant financial and business consequences.

The company has an internal audit department.
This department is supervised by the Control Committee (or Audit Committee) and is under the responsibility of a senior executive. In accordance with Article 7 of Law 3016/2002 and Article 4 of Decision ref. 5/204/14.11.2000 of the Hellenic Capital Market Commission, the head of the internal control department is independent in the exercise of his duties and is designated by the Company's Board of Directors. The internal auditor may request information about any book of entries, document, file, bank account and portfolio of the Company, and have access to any Company department. The Directors must cooperate and provide information to the Internal Auditor and, in general, facilitate his work in any way. The Company's management must provide the internal auditor with all necessary tools to facilitate his work.

In accordance with Article 8 of Law 3016/2002, the internal auditor has the following responsibilities:

a. He monitors the implementation and ongoing maintenance of the Company's Internal Operation Regulation and its Articles of Association, as well as the laws, in general, that apply for the Company and particularly the laws on sociétés anonymes and the capital market and money market;
b. He reports to the Company's Board of Directors any conflicts of personal interests of Company Directors or managers with the interests of the Company, which he identifies in the exercise of his duties;
c. He informs the Board of Directors in writing at least once every quarter about the audits performed and attends the General Meetings of shareholders;
d. Provides, upon approval of the Company's Board, any information requested in writing by Supervising Authorities, cooperates with them and facilitates them in any way possible in their monitoring, audit and surveillance duties.
Also, in accordance with Article 4 of decision 5/204/2000 of the Hellenic Capital Market Commission, the internal auditors will also:
a. Verify compliance with the obligations laid down in decision 5/204/2000 of the Hellenic Capital Market Commission;
b. Verify compliance with the commitments contained in the Company's prospectuses and business plans regarding the use of funds raised from the stock exchange;
c. Check the legality of fees and all kinds of benefits to members of the management in relation to decisions made by the Company's competent bodies;

d. Monitor the relationships and transactions between the Company and its affiliates, within the meaning of Article 42e(5) of C.L. 2190/1920, and the relationships between the Company and the companies in whose capital Company Board members or shareholders participate with at least 10%.

Management of Company and Group risks in connection with the preparation of financial statements (company and consolidated).

The Group has invested in the development and maintenance of advanced IT infrastructures which ensure accurate representation of financial figures through a series of security safeguards. At the same time, the analysis of results covers all aspects of the business

activity, and comparisons are made between actual, historical and budgeted income and expense accounts, with detailed explanation of all significant deviations.
The Financial Statements (semi-annual & annual) are reviewed and audited by external auditors, respectively.
The budgeting & forecasting procedure is reviewed and approved by the Board of Directors. As part of its audit duties, the Audit Committee of the Board of Directors justifies any budget/forecast deviations, considers its forecasts and ensures liquidity. It also holds meetings at least twice a year with the external auditors in order to be updated.
The Group's operations are governed by a regulatory framework reflected in the existence of approved policies and procedures including, without limitation, regulation of procurement, staff recruitment and dismissal, sales policy, etc. The internal audit department carries out audits to ensure compliance with the above procedures.

This statement of Corporate Governance is an integral and special part of the Annual Report of the Company's Board of Directors.

5) Main risks and uncertainties.

Financial Risk Management:

Interest Rate Risk:

Working capital needs are financed, among other sources, by bank debt. The Company and the Group are able to borrow at satisfactory terms and, if deemed appropriate, to apply hedging techniques to protect against interest rate increases, through Forward Rate Agreements (FRAs).

Foreign Exchange Risks:

The parent company and its domestic subsidiaries transact mostly in Euro, and are therefore not impacted by foreign exchange rate changes.

As regards foreign subsidiaries, the Bulgarian subsidiary maintains most of its liabilities in Euro, while the local currency maintains a fixed exchange rate vis-à-vis the Euro.

The Romanian subsidiary has most of its liabilities denominated in Euro. The local currency (RON) shows some fluctuation against the Euro; and if it is necessary these fluctuations are centrally confronted because the parent company has the ability and know-how to hedge these risks using forward foreign exchange transactions or other hedging techniques.

Liquidity Risk:

The parent company and the Group have always been able to meet their obligations to suppliers and banks without problems, and, there is therefore no outstanding debt. Moreover, they possess sufficient creditworthiness, as shown by the available overall credit lines which, as of 31 December 2018, stood at € 23,9 million for the Company and € 52,4 million for the Group. As of 31 December 2018, the Company and the Group have used 85% and 45% of these amounts, respectively, taking into account cash and cash equivalents.

Capital management:

The Group preserves an optimum capital structure to ensure its capacity to continue as a going concern, secure growth and ultimately returns for shareholders. Capital structure management is based on Group needs and occasional economic developments. The capital adequacy of the Group is monitored on the basis of relevant financial indexes.

Credit risk:

The Group is exposed to credit risk coming mainly from the potential failure to collect customer balances. In order to control credit risk, Motodynamics applies consistently an explicit credit policy that is monitored and evaluated on a constant basis, so that the credits granted do not exceed the credit limit set per customer.

6) Non-financial information

BRIEF DESCRIPTION OF THE GROUP

The tradition of Motodynamics begins in 1992, when the company is introduced as "YAMAHA MOTOR HELLAS S.A." by the company "Iliopouloi Bros S.A.". However, its roots date back to 1969, when "Iliopouloi Bros S.A." acquires official importer rights from Yamaha Motor Co. for Greece.

During the 1990s, the company commenced operations, initially, in Bulgaria and subsequently in Romania, acquiring the official importer rights by Yamaha Motor Co. for both countries.

The Group currently holds exclusive distribution rights for Yamaha Motor Co. products in Greece, Romania, Bulgaria, Albania, and Moldova. Since 2011, the company is the exclusive distributor of the products of Porsche AG in Greece. It has also concluded from time to time numerous commercial agreements through which it currently has official importer rights in respect of a series of famous brands in the sector of boats and outboard motors (Selva), lubricants (Rock Oil), tires (Continental), and rider equipment - attire (Alpinestars, Shark, Richa).

In June 2015, the Company's shares were listed on the Athens Stock Exchange.

Since 30 November 2018, the Company has a holding in Lion Rental S.A., a car rental company that represents the German brand Sixt GmbH.

The Motodynamics Group includes the following subsidiaries:

- MOTODIKTYO S.A. (100%) - Retail sale of two-wheelers and related products in Attica
- MOTODYNAMICS SRL (100%) (exclusive distributor of YAMAHA products in Romania)
- MOTODYNAMICS LTD (100%) (exclusive distributor of YAMAHA products in Bulgaria)
- LION RENTAL SA (80,5%) – Car rental, exclusive franchisee of Sixt GmbH

The Group, in all the countries it is active and for all the products and services it provides, operates through extensive networks of partners, privately-owned retail stores, and privately-owned car rental stations.

The Group has relied, over time, on specific values and capacities:

- **Strong ties to the represented Firms**
  Appreciation, recognition, respect
- **Growth and maintenance of clientele with a focus on long-term strategy**
  Consolidated networks, honest relations with customers, focus on after-sales
- **Innovative promotional activities**
  Creativity, effective implementation
- **Strong and effective infrastructure**
  Optical IT systems, effective logistics
- **Working environment with high professionalism**
  Morals, integrity, transparency, transparency, respect, self-commitment, consistency
- **High adaptability**
  Decisive adaptation, effective integration, flexible communication
- **Value creation through the combination of knowledge and analysis**
  Knowledge, analysis, negotiation, persuasion

Environmental issues

The Group policy includes full compliance with all legislative requirements related to the protection of the environment through cooperation with the required recycling companies. The operation does not cause any impact on the environment.

Labor issues

The long business presence of the Motodynamics Group both in Greece and abroad relies indispensably on the high quality of its human resources.
That quality is the product of targeted actions to attract staff by use of modern digital means and methods for attracting prospective employees.

The company systematically invests in the development of its staff throughout their working lives, offering training programmes that have been planned according to the values of the organisation and the development of the necessary skills of the staff, as they arise from continuous evaluation. The customer-focused approach, the business excellence, the leadership, the teamwork, and the responsibility of our work are the values of the company, according to which training is provided to the staff.

Motodynamics benefits from the services of its well-qualified staff and the company staff enjoys a work environment that promotes meritocracy, respect for diversity, and professional progress. Within that context and wishing to further invest in its staff, the

company has developed a considerable framework of work benefits that covers modern and demanding needs. An indicative reference is made to the company's healthcare and pension plans, which provide an employment framework of security and welfare both for the employees and their family members.

For 2018, the Group and the parent company paid in total € 5,4 million and € 4,3 million, respectively, for salaries, wages, employer's contributions, and other staff-related charges. The 85 employees of the parent company and the 260 employees of the Group in total provide the company with a solid basis for it to deal with the challenges of the future and rise up to the next level.

7) Significant transactions between the issuer and its associates.

Transactions with subsidiaries

Transactions with subsidiaries (sales of merchandise and provision of services) are carried out within the Company's normal business operations. Outstanding balances at the end of the year are unsecured, interest free and settlement occurs in cash, within the time limits agreed between the said companies. As at 31 December 2018 there were no pending guarantees or any other commitments of Motodynamics towards and from its subsidiaries. The Company's Management does not deem that a provision is required for potential failure to collect its receivables from its subsidiaries and, therefore, no provision has been formed.

The breakdown of transactions (sales of merchandises and provision of services) of the Company with the above mentioned subsidiaries, in which it holds a participating interest, the balances thereof, as well as the breakdown of transactions among the subsidiaries are presented below.

	COMPANY	
	31 December 2018	**31 December 2017**
Sale of goods and services		
Motodiktyo S.A.	5.854.827,61	7.045.949,19
Lion Rental SA	-	-
Motodynamics Ltd.	787.585,03	891.325,75
Motodynamics Srl.	1.952.910,93	1.611.323,22
	8.595.323.57	**9.548.598,16**
Purchases of goods and services		
Motodiktyo S.A.	85.850,97	45.520,66
Lion Rental SA	-	-
Motodynamics Ltd.	7.612,67	156.417,19
Motodynamics Srl.	30.393,74	28.666,81
	123.857,38	**230.604,66**
Receivables		
Motodiktyo S.A.	2.296.813,57	1.754.636,91
Lion Rental SA	-	-
Motodynamics Ltd.	(7.124,56)	-
Motodynamics Srl.	46.770,30	112.408,96
	2.336.459,31	**1.867.045,87**
Liabilities		
Motodiktyo S.A.	1.500,00	1.500,00
Lion Rental SA	-	-
Motodynamics Srl.	11.845,74	-
	13.345,74	**1.500,00**

	Motodynamics Ltd.		Motodynamics Srl.	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Sale of goods and services				
Motodynamics Srl	5.240,00	1.260,00	-	-
Motodynamics Ltd.	-	-	28.390,00	1.670,00
	5.240,00	**1.260,00**	**28.390,00**	**1.670,00**
Purchases of goods and services				
Motodynamics Srl	28.390,00	1.670,00	-	-
Motodynamics Ltd.	-	-	5.240,00	1.260,00
	28.390,00	**1.670,00**	**5.240,00**	**1.260,00**

Compensation of key management personnel of the Company and the Group:

Compensation of key management personnel of the Company and the Group for the year ended 31 December 2018 and 2017, were as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Benefits to key management personnel of the Company and the Group				
Compensation of key management personnel	1.254.507,35	1.236.536,36	1.238.299,12	1.236.536,36
Key management personnel receivables	-	-	-	-
Liabilities to key management personnel	798.679,47	788.989,34	798.679,47	788.989,34

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS
(in accordance with art. 4, par. 7 and 8 of Law no. 3556/2007)

8) Structure of the company's share capital - rights and obligations attached to shares

1.1. Company's share capital structure: The company's share capital amounts to 4.212.000 Euro, divided into 11.700.000 shares, of a nominal value of 0,36 Euro each. All Company shares are ordinary shares with voting rights and are traded in Main Market of the Athens Stock Exchange.

1.2. Rights and obligations: Each shareholder has rights and obligations that are proportional to the value of the Company shares that the shareholder owns. More specifically:

1.2.1. Each share provides to the owner the right of participation in the Company's annual distributed (or upon liquidation) profits, in accordance with the law, the Articles of Association and the General Meeting of Shareholders decisions.

1.2.2. Each ordinary share entitles the owner to participate and to vote in the General Meeting of Shareholders of the company.

1.2.3. Each Shareholder has preemption rights in every Company share capital increase.

1.2.4. Each Shareholder has the right to receive copies of the Company's financial statements, Auditors' reports and the financial review of the Board of Directors.

1.2.5. The General Meeting of shareholders reserves all its rights during liquidation (Article 35, paragraph 5 of the Articles of Association).

1.2.6. The liability of the shareholders is limited to the nominal value of the shares they hold.

9) Limits on transfer of Company shares

The Company shares are transferred as provided for by law. No limits to the transfer of Company shares are provided for by its Articles of Association.

10) Significant direct or indirect holdings in the sense of Articles 9 to 11, Greek Law 3556/2007

On 31.12.2018 the following shareholders held more than 5% of the total voting rights of the Company

3.1. Mr. Odysseas Kyriakopoulos held 20,50%.

3.2. Ms. Aikaterini Kyriakopoulou held 19,81%.

3.3. Ms. Flora-Maria Kyriakopoulou held 19,41%.

11) Shares conferring special control rights

None of the Company shares carry any special rights of control.

12) Limitations on voting rights

The Articles of Association make no provision for any limitations on voting rights.

13) Company shareholder agreements

The Company is not aware of any agreements among shareholders entailing limitations on the transfer of shares or limitations on voting rights.

14) Rules governing the appointment and replacement of Directors and the amendment of the Articles of Association deviating from those provided for in Codified Law 2190/1920

The rules set out in the Articles of Association of the Company on the appointment and replacement of Directors and the amendment of the provisions of the Articles of Association do not differ from those envisaged in Codified Law 2190/1920.

15) Authority of the Board of Directors or certain Directors to issue new shares or to purchase the own shares of the Company, pursuant to Article 16 of Codified Law 2190/1920

By virtue of the decision adopted by the Ordinary General Meeting of Shareholders on 09/05/2017, all previous decisions on the same issue were revoked and the Company may acquire its own shares, under the following conditions:

a. The maximum number of own shares that may be acquired is subject to an upper limit of 600.000, an amount corresponding to less than 1/10 of paid-up share capital.

b. The maximum acquisition price of the shares was set at two euro (€ 2), with the minimum price set at twenty cents (€ 0,20).

c. The timeframe within which the share acquisitions will be performed was designated as twenty-four (24) months, namely from 09/05/2017 to 09/05/2019.

d. It authorises the Board of Directors, on condition that it adopts a relevant decision, to implement the own shares acquisitions in accordance with the terms stipulated above and the conditions imposed by applicable legislation, designating the time periods and quantities of acquired shares.

Moreover, by virtue of its decision dated 6/10/08, the Board of Directors of the Company appointed the CEO as its special attorney-in-fact and process representative and, in the event of his impediment, the Chief Financial Officer, acting either jointly or individually, conferring them the power to undertake all requisite actions in view of the acquisition of own shares, in the name and on behalf of the Company, in accordance with the aforementioned terms that were approved by the Ordinary General Meeting of Shareholders of 09/05/2017.

e. By decision of the extraordinary General Meeting as of 26/10/2010, the Company's Board of Directors was authorised, pursuant to Article 13(6) of C.L. 2190/1920, as in force, to determine the price of the new shares within such period as may be established by an Extraordinary General Meeting, and all those issues related to the permit from the Hellenic Capital Market Commission, the preparation of the Prospectus, the listing of the shares on the Small and Mid-Cap Market of the Athens Exchange, the allocation of any undistributed shares and all related issues.

16) Significant agreements put in force, amended or terminated in the event of a change in the control of the Company, following a public offer.

The Company has concluded no such agreements.

17) Agreements between the Company and Directors

The Company has renewed the employment contract (as of 01.01.2017) with its CEO, Mr. Sotirios Hatzikos, which has been approved by the Ordinary General Meeting of 09/05/2017.

Aspropyrgos, 05.04.2019

On behalf of the Board of Directors
The CEO

Sotirios Hatzikos

Report of Independent Chartered Auditor Accountant

To the Shareholders of the Company **"EMPORIKI EISAGOGIKI AFTOKINITON DITROHON KAI MIHANON THALASSIS SOCIETE ANONYME" (dba MOTODYNAMICS S.A.)**

Audit Report on the Company and Consolidated Financial Statements

Opinion

We have audited the accompanying company and consolidated financial statements of the Company "EMPORIKI EISAGOGIKI DITROHON KAI MIHANON THALASSIS SOCIETE ANONYME" (the "Company"), which consist of the company and consolidated financial position statement as of 31 December 2018, the company and consolidated statements of comprehensive income, statements of changes in equity and cash flow statements for the year then ended, as well as the summary of significant accounting policies and methods and other explanatory notes.

In our opinion, the accompanying company and consolidated financial statements present fairly, in all material respects, the financial position of the Company "EMPORIKI EISAGOGIKI AFTOKINITON DITROHON KAI MIHANON THALASSIS S.A." and its subsidiaries (the Group) as of 31 December 2018, and their financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards, as the latter have been adopted by the European Union.

Basis of opinion

We have conducted our audit in accordance with International Auditing Standards (IAS), as transposed into Greek legislation. Our responsibilities, in accordance with these standards are further described in section "Auditor's responsibility for the audit of the company and consolidated financial statements" of our report. We are independent of the Company and its consolidated subsidiaries throughout the term of our appointment, in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants, as it has been adopted in the Greek legislation and the conduct requirements related to the audit of company and consolidated financial statements in Greece, and we have met our conduct obligations in accordance with the requirements of applicable laws and the aforementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter

We draw your attention to note 36 to the annual financial statements, which describes that the Company Management performed a restatement of prior period accounts in accordance with the provisions of IAS 8. Our opinion does not include any reservation as regards to that.

Major audit issues

The major audit issues are those issues which, in our professional opinion, were of major importance in our audit of the company and consolidated financial statements of the year audited. These issues and the related risks of material inaccuracy were dealt with in the context of the audit of the company and consolidated financial statements as a whole, in order to form our opinion thereon and we do not express a separate opinion for these issues.

Major audit issues	How we dealt with the major audit issue in our audit
Recoverability of trade receivables	
On 31 December 2018 the trade receivables of the Group and the Company amounted to € 8.103.485,74 (€ 2.759.541,67 on 31 December 2017) and € 2.734.776,39 (€ 2.386.628,56 on 31 December 2017) respectively, whereas the accumulated impairment amounts to € 12.990.560,05 (€ 1.237.163,39 on 31 December 2017) and € 1.145.754,68	• Our audit procedures regarding the evaluation of the recoverability of the trade receivables included, among others: • The understanding and review of the credit control procedures of the Group, as well as the review of the basic safeguards regarding the granting of credits to customers. • The evaluation of the assumptions and the methodology employed by the management in order to determine the

(€ 997.171,21 on 31 December 2017) respectively, as mentioned in note 22 to the financial statements. In case of insolvency of these customers, the Company and the Group are exposed to increased credit risk when customers fail to meet their contractual obligations. The Group forms a special provision for doubtful receivables based on estimates of the administration regarding the possibility of collecting its receivables as at the end of the reporting period. The amount of the provision for doubtful receivables formed by the company and its subsidiaries at the end of each reporting period is determined on the basis of an estimate of the potential risk of failure to collect overdue accounts or receivables currently in litigation. The accumulated amount of the provision for doubtful receivables is reduced by the amount of receivables declared to be non-collectible. Given the significance of the issue, the magnitude of the crisis and the estimates required by the management when evaluating the client's capability to repay, we consider that this is one of the most significant audit issues. The disclosures of the Company and the Group regarding the nature of the aforementioned receivables and the estimates used for the evaluation of the recoverability thereof are included in notes 2.c, 3.i, 22 and 33.a to the financial statements.	recoverability of trade receivables or classification thereof as doubtful. • The review of the reply letters by the legal advisor regarding doubtful receivables handled during the year and the identification of any issue that indicates balances from trade receivables that are not recoverable in the future. • The review of the maturity of trade receivables balances at the end of the year, the identification of any debtors with financial difficulties and the recalculation of the impairment of trade receivables. • The review of the recoverability of the balances, comparing the amounts at the end of the year with subsequent collections/settlements. • The assessment of the methodology relating to the cumulative effect of IFRS 9. • In addition, we reviewed the adequacy of the relevant disclosures of the Company and the Group in the attached financial statements regarding the aforementioned issue.
Valuation of inventories	
On 31 December 2018 the Group and the Company held inventory amounting to € 11.360.957,22 (€ 12.649.766,59 on 31 December 2017) and € 9.483.535,30 (€ 10.609.680,41 on 31 December 2017) respectively. Inventories are valued at the lower of acquisition cost and net realizable value.	We evaluation the reasonableness of the assumptions of the management that were used for the determination of the value of the inventories from: • The recording and evaluation of procedures and inventory management safeguards designed by the Group management regarding inventories. • The monitoring of the physical inventory in specific storage areas and the performance of sample counting.

A provision for impairment of inventory value is formed using management estimates based on each situation and the possibility of using the products if this becomes necessary, bearing in mind that the company is obliged to maintain a safety stock of spare parts for all models in circulation. We consider that the evaluation of the valuation of the inventories of the Group is one of the most significant audit issues, on one hand because inventories constitute the largest asset and, on the other, because the significant estimates and judgments of the management for the determination of the net realizable value. The disclosures of the Company and the Group regarding the nature of the aforementioned inventories and the estimates used for the evaluation of the valuation thereof are included in notes 3.h and 21 to the financial statements.	• Estimation of the valuation was obtained by comparing the net realizable value of inventories on the reporting date with the acquisition cost of the inventories, the determination of which was checked by sampling. • The review of the stock balance to identify unused and slow-moving inventories. • In addition, we reviewed the adequacy of the relevant disclosures of the Company and the Group in the attached financial statements regarding the aforementioned issue.

Other information:

The management is responsible for the other information. Other information is included in the Board of Directors' Management Report, referred to in the "Report on Other Legal and Regulatory Requirements" and the Directors' Statements, but does not include the financial statements and the audit report.

Our opinion on the company and consolidated financial statements does not cover the other information and accordingly express no opinion or other form of assurance on them.

With regard to our audit of the company and consolidated financial statements, our responsibility is to read the other information and, in this manner, to review whether the other information is materially inconsistent with the company and consolidated financial statements or the knowledge we acquired during the audit or they appear to otherwise contain material misstatements. If, based on the work carried out, we reach the conclusion that such other information contains material misstatements, we are obliged to report this fact. We do not have anything to report on this issue.

Responsibilities of the management and the persons responsible for the governance on the company and consolidated financial statements

The Management of the Company is responsible for the preparation and fair presentation of these company and consolidated Financial Statements in accordance with the IFRS, as the latter have been adopted by the European Union. This responsibility extends to maintaining the internal audit safeguards deemed necessary by Management, to ensure the preparation of company and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

During preparation of the company and consolidated financial statements, the management is responsible for evaluating the Company and the Group capability to continue their activities, disclosing any such possibility, the matters related to the ongoing concern and the use of the accounting principle of the ongoing concern, unless the management either intends to liquidate the Company and the Group, or suspend their operations, or has no other realistic option other than taking this action.

The Audit Committee (Art. 44 of Law 4449/2017) of the Company is responsible for Monitoring the financial reporting procedure of the Company and the Group.

Auditors responsibility for the audit of the company and consolidated financial statements

Our aim is to obtain a reasonable assurance regarding whether the company and consolidated financial statements, in their entirety, are free from material misstatement, either due to fraud or error, and issue an auditor's report, which contains our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs, as transposed into Greek legislation, will always detect a material misstatement when it exists. Misstatements may be the result of fraud or error, and are considered material when, either individually or in the aggregate, it could be reasonably expected that they would affect the financial decisions of the users that are made based on these company and consolidated financial statements.

The auditor's duty, in accordance with the IAS, as transposed into Greek legislation, is to exercise our professional judgement and maintain professional skepticism throughout the audit. Furthermore:

- We identify and evaluate the risks of material misstatement in the company and consolidated financial statements, either due to fraud or error, by designing and performing audit procedures corresponding to these risks and obtain audit evidence that are sufficient and appropriate to provide a basis to our opinion. The risk of failing to detect a material error due to fraud is higher than that due to error, as fraud can involve collusion, forgery, deliberate omissions, false assertions or bypassing the internal audit safeguards.

- We understand the internal audit safeguards related to our audit, in order to design audit procedures appropriate to the circumstances, but not with a view to expressing any opinion on the efficiency of the internal audit safeguards of the Company and the Group.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- We express an opinion on the appropriateness of the use by management of the accounting principle of the ongoing concern and, on the basis of the audit evidence obtained, on whether there is a material uncertainty regarding events or conditions that could indicate a material uncertainty regarding the Company's and the Group's ability to continue their operation. If we conclude that there is a material uncertainty, we are obliged in our auditor's report to draw attention to the relevant disclosures of the company and consolidated 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 the auditor's report. However, future events or conditions may have as a result the Company and the Group to cease to operate as an ongoing concern.

- We evaluate the overall presentation, structure and content of the company and consolidated financial statements, including the disclosures, as well as whether the company and consolidated financial statements present the underlying transactions and the events in a manner achieving reasonable presentation.

- We obtain sufficient and appropriate audit evidence regarding financial disclosures of the entities or business activities within the Group, in order to express an opinion on the company and consolidated financial statements. We are responsible for guiding, monitoring and performing the audit of the Company and its subsidiaries. We remain exclusively responsible for our audit opinion.

In addition to other issues, with notify the persons responsible for the governance, our planned breadth and schedule of the audit, as well as any significant audit finding, including any major shortcomings of the internal audit safeguards identified during our audit.

In addition, we declare to the persons responsible for the governance that we have met our relevant conduct obligations for independence and we notify them of all relations and other matters that may be considered as affecting our independence and the relevant safety measures, as the case may be.

Out of the issues notified to the persons responsible for the governance, we identify the issues with the most significance for the audit of the company and consolidated financial statements of the year audited which, thus, constitute the major audit issues.

Report on Other Legal and Regulatory Requirements

1. Directors' Management Report

Considering that the management is responsible for preparing the Directors' Management Report and the Corporate Governance Statement included therein, pursuant to the provisions of paragraph 5 of Article 2 of Law 4336/2015 (Part B), we would like to note that:

a) The Board of Directors' Management Report includes a corporate governance statement which provides the information laid down in Article 43bb of Codified Law 2190/1920.

(b) In our opinion, the Directors' Management Report has been prepared in accordance with applicable legal requirements under Articles 43a and 107A, and paragraph 1 (cases (c) and (d)) of Article 43bb of Codified Law 2190/1920, and its contents correspond to the attached financial statements for the year ended on 31 December 2018.

(c) On the basis of the knowledge acquired during our audit regarding the company "EMPORIKI EISAGOGIKI AFTOKINITON DITROHON kai MIHANON THALASSIS SOCIETE ANONYME" and its environment, we have not identified any material misstatements in the Directors' Management Report.

2. Supplementary Report to the Audit Committee

Our opinion regarding the attached company and consolidated financial statements is consistent with our Supplementary Report to the Audit Committee of the Company, as provided for in Article 11 of Regulation (EU) No. 537/2014.

3. Provision of Services other than Auditing

We have not provided the Company and its subsidiaries any other services other than auditing that is prohibited under Article 5 of Regulation (EU) No 537/2014.

The permitted non-auditing services we provided to the Company and its subsidiaries during the year ended on 31 December 2018 are disclosed in Note 8 to the company and consolidated financial statements attached hereto.

4. Auditor's Appointment

We were appointed for the first time as Chartered Auditors Accountants of the Company by means of decision dated 26/06/2012 of the annual ordinary general meeting of the shareholders. Since then, our appointment has always been renewed for a total period of 7 years pursuant to decisions adopted annually by the ordinary general meeting of the shareholders.

Athens, 05 April 2019

The Chartered Auditor Accountant

Stergios Detsikas

Body of Statutory Auditors (SOEL) Reg.

No. 41961

Grant Thornton

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Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
Ζεφύρου 56, 17564 Παλαιό Φάληρο
Α.Μ. ΣΟΕΛ 127

MOTODYNAMICS S.A.

ANNUAL COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2018 IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS

as the latter have been adopted by the European Union

of the Societe Anonyme
EMPORIKI EISAGOGIKI AFTOKINITON DITROHON kai MIHANON THALASSIS SOCIETE ANONYME

under distinctive title "MOTODYNAMICS S.A."

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EMPORIKI EISAGOGIKI AFTOKINITON DITROHON KAI MIHANON THALASSIS SOCIETE ANONYME under the distinctive title "MOTODYNAMICS S.A."

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

(amounts in euros)

(amounts in euros)	Notes	GROUP		COMPANY	
		1.1 - 31.12.2018	1.1 - 31.12.2017 RESTATED	1.1 - 31.12.2018	1.1 - 31.12.2017 RESTATED
Sales	7	59 481 086.88	54 501 456.37	53 770 967.73	52 209 745.13
Cost of Sales		-48 606 472.64	-43 657 042.09	-44 111 091.55	-43 266 228.71
Gross Profit		**10 874 614.24**	**10 844 414.28**	**9 659 876.18**	**8 943 516.42**
Other income	10	324 390.53	234 739.68	262 180.60	334 927.83
Administrative expenses	8	-2 028 372.82	-1 893 183.32	-1 870 087.62	-1 886 253.32
Sales and distribution expenses	9	-8 295 759.73	-7 453 500.74	-6 260 827.80	-6 135 123.36
Other expenses	11	-128 194.76	-137 168.29	-68 117.73	-123 577.47
Operating profits		**746 677.46**	**1 595 301.61**	**1 723 023.63**	**1 133 490.10**
Financial income	12	9 110.16	116 129.68	1 105.13	108 058.11
Financial expenses	13	-570 190.82	-529 616.89	-471 460.61	-491 659.01
Other financial results	13	-	-104 405.84	-	-104 405.84
Profit / Loss before taxes		**185 596.80**	**1 077 408.56**	**1 252 668.15**	**645 483.36**
Income tax	14	-221 080.73	53 031.91	-353 141.84	64 818.81
Profit / Loss after tax		**-35 483.93**	**1 130 440.47**	**899 526.31**	**710 302.17**
Attributable to:					
Parent company owners		169 693.95	1 130 440.47	899 526.31	710 302.17
Minority interests		-205 177.88	-	-	-
Profit / Loss after tax		**-35 483.93**	**1 130 440.47**	**899 526.31**	**710 302.17**
Other comprehensive income/expenses					
Net results for the year		**-35 483.93**	**1 130 440.47**	**899 526.31**	**710 302.17**
Items not subsequently classified in the income statement					
Actuarial gains/losses	29	5 333.15	-6 414.58	5 857.53	-6 830.96
Deferred tax		-1 464.28		-1 464.28	
Items potentially classified in the income statement subsequently					
Cumulative consolidated exchange differences		-1 130.06	-34 505.63		
Other comprehensive income/loss after tax		**2 738.81**	**-40 920.21**	**4 393.25**	**-6 830.96**
Aggregate comprehensive income/loss after tax		**-32 745.12**	**1 089 520.26**	**903 919.56**	**703 471.21**
Attributable to:					
Parent company owners		172 432.76	1 089 520.26	903 919.56	703 471.21
Minority interests		-205 177.88	-	-	-
		-32 745.12	**1 089 520.26**	**903 919.56**	**703 471.21**
Earnings/loss per share - basic after tax (in Euro)	17	**0.0145**	**0.0966**		
Diluted earnings/loss per share (in Euro):	17	**0.0145**	**0.0966**		

The Group has implemented IFRS 9 using the cumulative effect method. According to this method, the comparative information is not adjusted. See Note 2.1

EMPORIKI EISAGOGIKI AFTOKINITON DITROHON KAI MIHANON THALASSIS SOCIETE under the distinctive title "MOTODYNAMICS S.A."

FINANCIAL STATEMENT

as of 31 December 2018

(amounts in euros)

		GROUP		
	Notes	31 December 2018	31 December 2017 RESTATED	31 December 2016 RESTATED
ASSETS				
Long-term assets				
Tangible assets	18	15 965 732.69	4 547 184.12	4 537 091.66
Goodwill	19	2 544 250.59	-	-
Intangible assets	20	582 448.47	608 230.89	726 496.33
Deferred tax assets	13	6 194 757.93	1 602 494.59	1 517 909.06
Other long-term assets	34	2 260 338.01	1 305 671.13	1 460 194.97
Total long-term assets		**27 547 527.69**	**8 063 580.73**	**8 241 692.02**
Short-term assets				
Inventories	21	11 360 957.22	12 649 766.59	13 496 018.55
Trade accounts receivable	22	8 103 485.74	2 759 541.67	2 232 893.41
Other receivables	23	4 518 595.49	503 835.90	505 758.22
Cash and cash equivalents	24	15 144 739.19	285 641.80	211 935.34
Total short-term assets		**39 127 777.64**	**16 198 785.96**	**16 446 605.52**
Grand total of assets		**66 675 305.33**	**24 262 366.69**	**24 688 297.54**
EQUITY AND LIABILITIES				
Equity				
Share capital	26	4 212 000.00	4 680 000.00	6 903 000.00
Share premium		5 737 248.46	5 756 695.00	5 756 695.00
Reserves	27	1 060 225.88	1 050 722.66	1 034 760.10
Reserves for allocation of free shares to directors	25	160 727.43	160 727.43	160 727.43
Cumulative consolidation exchange differences		-298 884.74	-297 754.68	-263 249.05
Results carried forward		-2 674 041.71	-2 756 066.93	-5 736 130.26
Total		**8 197 275.32**	**8 594 323.48**	**7 855 803.22**
Minority interest		2 812 053.34	-	-
Total Equity		**11 009 328.66**	**8 594 323.48**	**7 855 803.22**
Long-term Liabilities				
Long-term loans	31	18 000 000.00	-	-
Provision for staff retirement indemnity	29	872 905.15	540 854.99	751 275.63
Other long-term liabilities		485 528.65	3 700.00	-
Total long-term liabilities		**19 358 433.80**	**544 554.99**	**751 275.63**
Current liabilities				
Trade payables	30	12 296 344.16	6 635 631.74	8 374 904.13
Short-term loans	31	20 562 487.94	6 464 462.63	6 218 588.18
Income tax payable		2 293.26	2 772.74	-
Accrued and other short-term liabilities	32	3 446 417.51	2 020 621.11	1 487 726.38
Total short-term liabilities		**36 307 542.87**	**15 123 488.22**	**16 081 218.69**
Total liabilities		**55 665 976.67**	**15 668 043.21**	**16 832 494.32**
Total Equity and Liabilities		**66 675 305.33**	**24 262 366.69**	**24 688 297.54**

The Group has implemented IFRS 9 using the cumulative effect method. According to this method, the comparative information is not adjusted. See Note 2.1

EMPORIKI EISAGOGIKI AFTOKINITON DITROHON KAI MIHANON THALASSIS SOCIETE under the distinctive title "MOTODYNAMICS S.A."

FINANCIAL STATEMENT

as of 31 December 2018

(amounts in euros)

		COMPANY		
	Notes	31 December 2018	31 December 2017 RESTATED	31 December 2016 RESTATED
ASSETS				
Long-term assets				
Tangible assets	18	4 035 683.11	4 087 343.17	4 186 511.93
Intangible assets	20	531 137.71	603 856.62	723 871.06
Deferred tax assets	14	1 002 577.06	1 322 211.88	1 257 393.07
Investments in subsidiaries	4	17 962 261.72	3 141 432.20	3 141 432.20
Other long-term assets	34	1 012 188.84	1 263 318.08	1 417 336.91
Total long-term assets		**24 543 848.44**	**10 418 161.95**	**10 726 545.17**
Short-term assets				
Inventories	21	9 483 535.30	10 609 680.41	11 838 052.88
Trade accounts receivable	22	2 734 776.39	2 386 628.56	2 068 156.76
Amounts due from subsidiaries	6	2 336 459.31	1 867 045.87	1 442 567.59
Other receivables	23	536 103.66	466 732.77	469 786.64
Cash and cash equivalents	24	11 062.43	20 834.91	41 024.79
Total short-term assets		**15 101 937.09**	**15 350 922.52**	**15 859 588.66**
Grand total of assets		**39 645 785.53**	**25 769 084.47**	**26 586 133.83**
EQUITY AND LIABILITIES				
Equity				
Share capital	26	4 212 000.00	4 680 000.00	6 903 000.00
Share premium		5 737 248.46	5 756 695.00	5 756 695.00
Reserves	27	1 030 302.01	1 030 302.01	1 030 302.01
Reserves for allocation of free shares to Directors	25	160 727.43	160 727.43	160 727.43
Results carried forward		-238 268.63	-1 061 618.08	-3 741 495.13
Total		**10 902 009.27**	**10 566 106.36**	**10 109 229.31**
Minority interest		-	-	-
Total Equity		**10 902 009.27**	**10 566 106.36**	**10 109 229.31**
Long-term Liabilities				
Provision for staff retirement indemnity	29	465 050.25	435 327.72	650 254.30
Other long-term liabilities		5 200.00	5 200.00	1 500.00
Total long-term liabilities		**470 250.25**	**440 527.72**	**651 754.30**
Current liabilities				
Trade payables	30	5 595 667.96	6 498 194.73	8 253 173.07
Short-term loans	31	20 562 400.43	6 464 462.63	6 216 907.61
Income tax payable		-	-	-
Accrued and other short-term liabilities	32	2 115 457.62	1 799 793.03	1 355 069.54
Total short-term liabilities		**28 273 526.01**	**14 762 450.39**	**15 825 150.22**
Total liabilities		**28 743 776.26**	**15 202 978.11**	**16 476 904.52**
Total Equity and Liabilities		**39 645 785.53**	**25 769 084.47**	**26 586 133.83**

The Group has implemented IFRS 9 using the cumulative effect method. According to this method, the comparative information is not adjusted. See Note 2.1

EMPORIKI EISAGOGIKI AFTOKINITON DITROHON AND MIHANON THALASSIS SOCIETE ANONYME
under the distinctive title "MOTODYNAMICS S.A."

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018
(amounts in Euro)

	Share capital	Share premium	Reserves	Cumulative consolidated exchange differences	Reserves for allocation of free shares to directors	Treasury shares purchase	Results carried forward	Total	Minority interests	Total Equity
Total Equity at the beginning of the year 1 January 2017 restated	**6.903.000,00**	**5.756.695,00**	**1.034.760,10**	**(263.249,05)**	**160.727,43**	**-**	**(5.736.130,26)**	**7.855.803,22**	-	**7.855.803,22**
Results of financial year (1/1 – 31/12/2017)	-	-	15.962,56	-	-	-	1.114.477,91	1.130.440,47	-	**1.130.440,47**
Other total income/(losses)	-	-	-	(34.505,63)	-	-	(6.414,58)	(40.920,21)	-	**(40.920,21)**
Total comprehensive income/(losses)	-	-	15.962,56	(34.505,63)	-	-	1.108.063,33	1.089.520,26	-	**1.089.520,26**
Share Capital reduction	(351.000,00)	-	-	-	-	-	-	(351.000,00)	-	**(351.000,00)**
Share Capital reduction by offset of losses	(1.872.000,00)	-	-	-	-	-	1.872.000,00	-	-	-
Total Equity at the end of the year 31 December 2017 restated	**4.680.000,00**	**5.756.695,00**	**1.050.722,66**	**(297.754,68)**	**160.727,43**	**-**	**(2.756.066,93)**	**8.594.323,48**	-	**8.594.323,48**
Total Equity at the beginning of the year	**4.680.000,00**	**5.756.695,00**	**1.050.722,66**	**(297.754,68)**	**160.727,43**	**-**	**(2.756.066,93)**	**8.594.323,48**	-	**8.594.323,48**
Effect of IFRS9 on equity	-	-	-	-	-	-	(82.034,38)	(82.034,38)	-	**(82.034,38)**
Share capital increase expenses	-	(19.446,54)	-	-	-	-	-	(19.446,54)	-	**(19.446,54)**
Minority interests at the acquisition of subsidiary	-	-	-	-	-	-	-	-	3.017.231,22	**3.017.231,22**
Results of financial year (1/1 – 31/12/2018)	-	-	9.503,22		-	-	160.190,73	169.693,95	(205.177,88)	**(35.483,93)**
Other total income/(losses)	-	-	-	(1.130,06)	-	-	3.868,87	2.738,81	-	**2.738,81**
Total comprehensive income/(losses)	-	-	9.503,32	(1.130,06)	-	-	164.059,60	172.432,76	(205.177,88)	**(32.745,12)**
Share Capital reduction	(468.000,00)	-	-	-	-	-	-	(468.000,00)	-	**(468.000,00)**
Total Equity at the end of the year 31 December 2018	**4.212.000,00**	**5.737.248,46**	**1.060.225,88**	**(298.884,74)**	**160.727,43**	**-**	**(2.674.041,71)**	**8.197.275,32**	**2.812.053,34**	**11.009.328,66**

The accompanying notes are an integral part of these financial statements.

EMPORIKI EISAGOGIKI AFTOKINITON DITROHON AND MIHANON THALASSIS SOCIETE ANONYME
under the distinctive title "MOTODYNAMICS S.A."

SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018
(amounts in Euro)

	Share capital	Share premium	Reserves	Reserves for allocation of free shares to directors	Treasury Shares Purchase	Results carried forward	Total Equity
Total Equity at the beginning of the period 1 January 2017 restated	**6.903.000,00**	**5.756.695,00**	**1.030.302,01**	**160.727,43**	**-**	**(3.741.495,13)**	**10.109.229,31**
Results of financial year (1/1 – 31/12/2017)	-	-	-	-	-	814.708,01	**814.708,01**
Other comprehensive income/(losses)	-	-	-	-	-	(6.830,96)	**(6.830,96)**
Total comprehensive income/(losses)	-	-	-	-	-	807.877,05	**807.877,05**
Share Capital reduction	(351.000,00)	-	-	-	-	-	**(351.000,00)**
Share Capital reduction by offset of losses	(1.872.000,00)	-	-	-	-	1.872.000,00	**-**
Total Equity at the end of the period 31 December 2017 restated	**4.680.000,00**	**5.756.695,00**	**1.030.302,01**	**160.727,43**	**-**	**(1.061.618,08)**	**10.566.106,36**
Total Equity at the beginning of the period 1 January 2018	**4.680.000,00**	**5.756.695,00**	**1.030.302,01**	**160.727,43**	**-**	**(1.061.618,08)**	**10.566.106,36**
Effect of IFRS9 on equity	-	-	-	-	-	(82.034,39)	**(82.034,39)**
Share capital increase expenses	-	(19.446,54)	-	-	-	-	**(19.446,54)**
Results of financial year (1/1 – 31/12/2018)	-	-	-	-	-	899.526,31	**899.526,31**
Other comprehensive income/(losses)	-	-	-	-	-	5.857,53	**5.857,53**
Total comprehensive income/(losses)	-	-	-	-	-	905.383,84	**905.383,84**
Share Capital reduction	(468.000,00)	-	-	-	-	-	**(468.000,00)**
Total Equity at the end of the period 31 December 2018	**4.212.000,00**	**5.737.248,46**	**1.030.302,01**	**160.727,43**	**-**	**(238.268,63)**	**10.902.009,27**

The accompanying notes are an integral part of these financial statements.

EMPORIKI EISAGOGIKI AFTOKINITON DITROHON KAI MIHANON THALASSIS SOCIETE ANONYME under the distinctive title "MOTODYNAMICS S.A."

STATEMENT OF CASH FLOW

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2018

(amounts in euros)

Indirect Method		**GROUP**		**COMPANY**	
	Notes	**31 December 2018**	**31 December 2017 RESTATED**	**31 December 2018**	**31 December 2017 RESTATED**
Operating Results					
Profit/loss of period before taxes		**185 596.80**	**1 077 408.56**	**1 252 668.15**	**749 889.20**
Depreciation	16	1 185 563.18	1 010 431.69	870 772.52	894 288.65
Provision for staff retirement indemnity	29	61 071.38	44 164.78	35 162.73	39 242.46
Provision for doubtful receivables	22	40 505.06	314 649.85	33 042.06	300 011.00
Provision for slow moving inventory	21	9 737.00	-39 715.00	-339.00	-29 712.00
Foreign exchange differences	12.13	5 662.61	-3 342.73	2 144.82	-650.14
Other adjustments		43 912.28	-	-	-
Profit or loss (income, expenses, profits and losses) of investing operations		-17 557.77	44 470.66	-29 075.72	39 559.78
Credit interest	12	-413.25	-1 277.82	-27.93	-1 032.32
Debit interest and related expenses	13	555 831.52	522 513.60	468 238.59	489 689.20
Plus/minus adjustments for changes in accounts of working capital or relevant to operating activities					
Decrease / (Increase) in:					
Inventories		1 279 072.37	885 966.96	1 126 484.11	1 258 084.47
Change in the fleet of vehicles		720 785.41	-	-	-
Long-term receivables		639 999.22	154 523.84	251 129.24	154 018.83
Trade accounts receivable		-471 653.09	-841 659.26	-966 144.74	-1 042 961.08
Other short-term receivables		-243 674.68	2 283.47	-69 370.89	3 053.87
(Decrease) / Increase in (except banks):					
Long-term Liabilities		-2 802.00	3 700.00	-	3 700.00
Trade payables		-440 177.89	-1 739 272.39	-902 526.77	-1 754 978.34
Other short term liabilities		-746 709.59	470 745.67	315 664.59	444 723.49
Less:					
Debit interest and relevant expenses paid	13	-500 389.19	-522 513.60	-459 296.26	-489 689.20
Taxes paid		-167 512.03	-	-	-
Realised foreign exchange differences	12.13	-5 662.61	3 342.73	-2 144.82	650.14
Utilised provision for doubtful receivables	22	-	-	-	-
Staff indemnity payment		-37 825.00	-261 000.00	-8 525.00	-261 000.00
Total cash inflow from operating activities (a)		**2 093 359.73**	**1 125 421.01**	**1 917 855.68**	**796 888.01**
Investment Activities					
Acquisition of subsidiaries, affiliates, joint ventures and other investments		-	-	-15 000 000.00	-
Purchase/sale of subsidiaries (less cash of subsidiary)		739 051.97	-	-	-
Purchase of tangible and intangible fixed assets	18,20	-2 783 380.44	-1 500 438.34	-1 859 523.95	-1 121 795.23
Proceeds from the sale of tangible and intangible fixed assets		1 199 073.89	552 571.52	1 142 206.12	407 130.00
Interest received	12	413.47	1 277.82	27.93	1 032.32
Subsidiaries share capital increase/decrease		-	-	179 170.48	-
Total cash inflow from investing activities (b)		**-844 841.11**	**-946 589.00**	**-15 538 119.42**	**-713 632.91**
Financing Activities					
Receipts from issued/utilised loans		37 762 487.74	24 564 462.63	37 762 400.23	24 564 462.63
Loan repayments		-23 664 462.43	-24 318 588.18	-23 664 462.43	-24 316 907.61
Share capital increase expenses		-19 446.54	-	-19 446.54	-
Share capital decrease		-468 000.00	-351 000.00	-468 000.00	-351 000.00
-Total cash inflow / (outflow) from financing activities (c)		**13 610 578.77**	**-105 125.55**	**13 610 491.26**	**-103 444.98**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)		**14 859 097.39**	**73 706.46**	**-9 772.48**	**-20 189.88**
Cash and cash equivalents at opening of year		**285 641.80**	**211 935.34**	**20 834.91**	**41 024.79**
Cash and cash equivalents at end of the period	24	**15 144 739.19**	**285 641.80**	**11 062.43**	**20 834.91**

The accompanying notes are an integral part of these financial statements.

NOTES ON THE ANNUAL FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Emporiki Eisagogiki Aftokiniton Ditrohon kai Mihanon Thalassis Group of Companies S.A., under the distinctive title Motodynamics S.A. ("the Group") is a Greek group of companies mainly engaged in the import, representation, distribution and trade in cars, motorcycles and marine products (outboard motors, inflatable boats and jet skis), spare parts and lubricants. The parent Company MOTODYNAMICS S.A. ("Motodynamics" or "parent company") was founded in Greece in 1992 with a 25-year term and, according to a Decision of its General Meeting of 5 June 2015, its term was extended to 2040.

The Group has the right of exclusive distribution of Yamaha Motor Co. products in Greece, Romania, Bulgaria, Albania and Moldova, as well as the products of its associates based on contracts concluded with Yamaha Motor Europe N.V. (subsidiary of Yamaha Motor Co., Japan). These contracts, for all countries, were renewed and now extend to 31 December 2021.

In April 2011 the company concluded the cooperation agreement and signed the relevant contracts for the exclusive distribution of Porsche AG products in Greece.

Since 30 November 2018, the Company has a holding in Lion Rental S.A., a car rental company that represents the German brand Sixt GmbH.

Since June 2005 the Company's shares have been traded on the Athens Stock Exchange. The Company is based in Aspropyrgos, at Kyrillos site, P.C. 19300. The Company has two branches: one in Attica and one in Thessaloniki (in leased property).

The accompanying consolidated financial statements include the annual financial statement of Motodynamics and its subsidiary companies, the activities of which are reported in note 4.

The number of employees at year end was 85 for the parent company and 260 for the Group and for the corresponding previous year they numbered 83 for the parent company and 123 for the Group, respectively.

2. BASIS FOR PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

(a) Basis of Preparation of the Financial Statements: The accompanying consolidated and separate Financial Statements, (hereinafter "the financial statements") have been prepared on the basis of historical cost and according to International Financial Reporting Standards ("IFRS") adopted by the European Union. The financial statements are drawn up in accordance with Greek Codified Law 2190/1920, as applicable. No standards were applied before their effective date.

(b) Approval of Financial Statements. The Financial Statements for the year ended 31 December 2018 were approved by the Company's Board of Directors in its meeting of 04 April 2019. Please note that the accompanying financial statements are subject to the approval of the Ordinary General Meeting of Shareholders.

(c) Use of estimates: The preparation of Financial Statements in accordance with IFRS requires that the management makes estimates, assumptions and adjustments which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as well as the revenues and expenditures presented for the reporting period. These estimates, assumptions and judgments are periodically reviewed so that they may reflect actual facts and will reflect the risks prevailing at the time; they are based on the previous experience of the management in relation to the size of related transactions or events. The actual results may differ from these estimates. The most significant estimates and judgments related to facts the evolution of which could affect the financial statements' items during the following 12 months are cited below:

- ***Provision for income tax***: The income tax provision according to IFRS 12 is calculated by estimate of the taxes to be paid to tax authorities and includes the current income tax for every use and provision for additional taxes that may occur during tax audits. The final settlement of income taxes may diverge from the relevant amounts recorded in the financial statements.

- ***Provision for doubtful receivables:*** The Group calculates a special provision for doubtful receivables based on estimates of the administration regarding the possibility of collecting its receivables, which is reassessed at the year end.

2. BASIS FOR PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

- ***Recovery of deferred tax assets:*** The recognition of deferred tax receivables entails estimates regarding their recoverability and, specifically, the recognition of deferred tax receivables on tax losses brought forward demands from Management the formulation of forecasts regarding the achievement of sufficient tax profits, which will allow their recovery, for every taxation system under which the Company and the subsidiaries of the Group operate.

- ***Provision for Staff Leaving Indemnities:*** The liabilities for staff leaving indemnities are calculated on the basis of actuarial methods, the implementation of which requires Management to evaluate specific parameters, such as the future rise in employee remuneration, the discount rate applied to said liabilities, the employee turnover rate etc.Management attempts, at each reference date on which the above provision is revised, to evaluate these parameters in the best possible manner.

- ***Contingent liabilities:*** The existence of contingent liabilities requires from Management the continuous formulation of assumptions and judgments pertaining to the likelihood of contingencies occurring or not occurring, as well as the impact that said contingent events may exert on the Group's activity.

2.1. MODIFICATIONS TO ACCOUNTING PRINCIPLES AND DISCLOSURES

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

The following new Standards, Interpretations and Amendments to existing Standards have been issued by the International Accounting Standards Board (IASB) or adopted by the EU which require mandatory application beginning on or after 01/01/2018.

- ***IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 01/01/2018).***

In July 2014, the IASB published the final version of the IFRS 9. The package of improvements introduced by the new standard includes a logical model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. The amendments have an effect on consolidated Financial Statements.

IFRS 9 "Financial Instruments" replaces IAS 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after 01/01/2018. The Group and the Company implemented the new standard as from 01/01/2018 retroactively, without revising the comparative information of previous years. Therefore, the adjustments resulting from the new classification and the new impairment rules do not appear in the Statement of Financial Position of 31/12/2017 but they were recognised in the Statement of Financial Position for the beginning of the period, on 01/01/2018.

Effect of the application of IFRS 9 "Financial instruments":

Recognition and Measurement
IFRS 9 eliminates all previous IAS 39 categories for financial assets: held to maturity, loans and receivables and available for sale. Adoption of IFRS 9 did not affect the accounting policies of the Group that concern financial liabilities. The impact of IFRS 9 to the classification and measurement of financial assets is presented below.

In accordance with IFRS 9, financial instruments are subsequently measured at fair value through profit and loss, at amortised cost or at fair value through other comprehensive income. The classification is based on two criteria:
- the management business model of a financial asset, namely whether the target is to hold it in order to collect the contractual cash flows or to collect the contractual cash flows as well as to sell financial assets, and
- whether the contractual cash flows of the financial asset consist of sole payments of principal and interest (criterion "SPPI criterion").

Impairment
The adoption of IFRS 9 resulted in changes in the accounting of impairment losses of financial assets, since it replaced the accounting under IAS 39 for the recognition of incurred losses by the recognition of expected credit losses.

Contractual assets and trade accounts receivable: The Group implements the simplified IFRS 9 approach to calculate expected credit losses, according to which any provision for losses is always measured at an amount equal to the expected credit losses throughout the life-cycle of trade accounts receivables and contractual assets. In order to determine the expected credit losses in respect of trade account receivables, the Group uses a credit losses prediction table on the basis of the maturity of balances, according to credit losses historical data of the Group, adjusted for future factors related to the debtors and the financial environment. Receivables covered by securities are examined and assessed one by one individually. The loss provision of the Group and the Company was increased by € 115 thousand as of 1 January 2018. The increase in the provision resulted in a respective adjustment in deferred tax and results carried forward.

2.1. MODIFICATIONS TO ACCOUNTING PRINCIPLES AND DISCLOSURES (continued)

Adoption of IFRS 9 by the Group and the Company
The table below presents the adjustments made for each separate line of the Statement of Financial Position due to the application of the requirements under IFRS 9.
Any lines not affected by the changes made as a result of the new standard are not included in the table.

	GROUP		
	IAS 39 Balances as at 31/12/2017	**IFRS 9 Adjustments**	**IFRS 9 Balances as at 01/01/2018**
Trade accounts receivable	2.759.541,67	(115.541,41)	2.644.000,26
Deferred tax assets	1.602.494,59	33.507,02	1.636.001,61
Results carried forward	(2.756.066,93)	(82.034,39)	(2.838.101,32)

	PARENT COMPANY		
	IAS 39 Balances as at 31/12/2017	**IFRS 9 Adjustments**	**IFRS 9 Balances as at 01/01/2018**
Trade accounts receivable	2.386.628,56	(115.541,41)	2.271.087,15
Deferred tax assets	1.322.211,88	33.507,02	1.355.718,90
Results carried forward	(1.061.618,08)	(82.034,39)	(1.143.652,47)

- ***IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 01/01/2018).***

In May 2014 the IASB issued a new Standard, IFRS 15. This standard is fully harmonised with the requirements for recognising revenue under both IFRS and US GAAP. The basic principles of this standard are consistent with a significant part of the current practice. The new standard is expected to improve the financial reporting, establishing stronger framework for the resolution of issues that emerge, enhancing the comparability between sectors and capital markets, providing additional notifications and clarifying accounting treatment of the cost of contracts. The new standard replaces IAS 18 'Revenue', IAS 11 'Construction Contracts' and certain related interpretations on revenue recognition. The new Standard has no impact on the consolidated Financial Statements.

Impact of the application of IFRS 15 "Revenue from Contracts with Customers"
On 1 January 2018, the Group and the Company adopted IFRS 15, implementing this standard retroactively. The cumulative effect of the initial implementation was recognised at the date of the initial implementation. Consequently, it cumulatively recognised the effect of the transition to the account "Results carried forward", while the comparative amounts were not restated. Nevertheless, the first implementation of IFRS 15 had no impact on the profits or the financial position of the Group and the Company. Thus, the "Results carried forward" were not adjusted.
The Group and the Company recognise income when (or as) they fulfil a performance commitment by transferring a promised good or service (namely an asset) to a customer. An asset is transferred when (or as) the customer obtains control of such asset. The customer obtains control of an asset (good or service) when it can direct its use and essentially receive all residual benefits therefrom.
The amount of income recognised is the amount allocated to the commitment for contract performance that has been fulfilled. The commitment for contract performance may be fulfilled either at a specific time or over time.

- ***Clarifications to IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 01/01/2018).***

In April 2016, the IASB issued clarifications to IFRS 15. The amendments to IFRS 15 do not change the basic principles of the standard, but provide clarifications regarding the implementation of these principles. The amendments clarify the way in which a commitment of performance in a contract is recognised, how it is determined whether a financial entity is the principal or the agent, and how it is determined whether the revenue from the granting of a license should be recognised on a specific moment or over time. The amendments have no effect on consolidated Financial Statements.

- ***Amendment to IFRS 2: "Classification and Measurement of Share-based Payment Transactions" (applied for annual periods starting on or after 01/01/2018)***

In June 2016, the IASB issued limited purpose amendments to IFRS 2. The purpose of this amendment is to provide clarifications in relation to the accounting handling of specific types of Share-based Payment Transactions. More specifically, the amendment introduces the requirements with regard to the accounting handling of the registration or non-registration of share-based payment transactions settled with cash, the accounting handling of share-based payment transactions with a characteristic of settlement on an offsetting basis for a tax withholding liability, as well as an amendment to the terms and conditions of a share-based payment transaction, which changes the classification of the transaction from cash-based to share-based. The amendments have no effect on consolidated Financial Statements.

2.1. MODIFICATIONS TO ACCOUNTING PRINCIPLES AND DISCLOSURES (continued)

- ***Amendments to IFRS 4: "Applying IFRS 9, Financial Instruments, with IFRS 4, Insurance Contracts" (effective for annual periods beginning on or after 01/01/2018)***

In September 2016, the IASB issued amendments to IFRS 4. The amendments are intended to determine the treatment of temporary accounting effects due to the different effective dates of IFRS 9, Financial Instruments, and the forthcoming new insurance contracts standard. The amendments to the requirements of IFRS 4 provide entities whose business model is predominantly to issue insurance contracts the option to defer the effective date of IFRS 9 until 2021 ("deferral approach"), and allow all issuers of insurance contracts to recognise in other comprehensive income, rather than profits or losses, some of the income or expenses arising from implementation of IFRS 9 before the new insurance contracts standard is applied ("overlay approach"). The amendments have no effect on consolidated Financial Statements.

- ***Annual Improvements to IFRS - 2014-2016 Cycle (for annual accounting periods beginning on or after 01/01/2018)***

In December 2016, the IASB issued the "Annual Improvements to IFRS - 2014-2016 Cycle" which is comprised of a number of changes to certain standards and forms part of the annual improvements project. These amendments are included in this cycle and apply for annual accounting periods beginning on or after 1 January 2018 and are the following: IFRS 1: Deletion of short-term exemptions for first-time adopters of IFRSs; IAS 28: Measuring an associate or joint venture at fair value. The amendments have no effect on consolidated Financial Statements.

- ***Amendments to IAS 40: "Transfers of Investment Property" (effective for annual periods beginning on or after 01/012018)***

In December 2016, the IASB issued limited purpose amendments to IAS 40. The purpose of these amendments is to reinforce the principle for transfers into, or out of, investment property to specify that: (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property; and (b) such a change in use would involve an assessment of whether the property qualifies as an investment property. This change in use should be supported by the respective documentary evidence. The amendments have no effect on consolidated Financial Statements.

- ***IFRIC 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods beginning on or after 01/01/2018)***

In December 2016, the IASB issued a new Interpretation, IFRIC 22. This interpretation clarifies which exchange rate to use in transactions that involve advance considerations paid or received in a foreign currency (e.g. income transactions). The new interpretation has no effect on the consolidated Financial Statements.

2.2. NEW STANDARDS AND INTERPRETATIONS

The following new Standards, Interpretations and Revisions of Standards, have been published by the IASB but are either not yet effective or have not been adopted by the European Union.

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

In January 2016 the IASB issued a new Standard, the IFRS 16. The work of IASB was aimed at developing a new standard on leases determining the principles applicable by the two parties in a contract, namely the customer ("lessee") and the supplier ("lessor") on the provision of information on the leases in a manner that reflects these transactions accurately. To attain that objective, the lessee must recognise the assets and liabilities deriving from the lease. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have been adopted by the European Union and are effective from 01/01/2019.

The Management performed an analysis of the expected effect of IFRS 16 as on 01/01/2019, as well as of its estimated effect on the financial statements.

During the transition, any liabilities deriving from current operating leases will be discounted at the relevant discount rate. The present value to arise will be recognised as a liability from leases. The rights to use assets will be measured as equal to the liability from leases, adjusted by the amount of any prepaid or accrued lease charges. The Group will implement the new standard using the cumulative effect method, according to which the comparative figures of the previous year will not be restated. Moreover, it will provide explanations of the reasons for the changes in the financial statement accounts, as a result of the application of IFRS 16 for the first time. The final effect of the application of IFRS 16 will depend on the discount rate as of 1 January 2019, the determination of lease contracts that fall within the scope of the new standard on that date, the final assessment of the term of the leases, in particular with regard to the exercise of any renewal or termination options, and the inclusion of new acquisitions in the consolidation. In summary, based on the Management's current estimate, the estimated effect of the adoption of IFRS 16 is determined as follows: The consolidated

statement of financial position as of 1 January 2019 is expected to report an increase in total assets due to capitalisation of assets involving right-to-use items and a respective increase in liabilities from leasing, of between € 5,7 million and € 5,1 million. In the consolidated income statement for 2019, depreciation is expected to increase by an amount ranging from € 900 thousand to € 1 million, and debit interest and related expenses are expected to increase by an amount ranging from € 180 thousand to € 300 thousand. The decrease in expenses for rents is expected to improve 'earnings before interest, tax, depreciation and amortisation' (EBITDA) by approximately € 1,3 million.

- ***Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods beginning on or after 01/01/2019)***

In October 2017, the IASB issued limited purpose amendments to IFRS 9. On the basis of the existing requirement of IFRS 9, a financial entity would measure a financial asset with negative compensation at its fair value through results, since the feature "negative compensation" could be considered as creating contingent cash flows, which do not comprise only payments of principal and interest. On the basis of the amendments, financial entities are allowed to measure specific, prepaid financial assets with negative compensation at the depreciated cost or at fair value through the other comprehensive income, subject to a specific condition. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have been adopted by the European Union and are effective from 01/01/2019.

- ***IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods beginning on or after 01/01/2019)***

In June 2017, the IASB issued a new interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have been adopted by the European Union and are effective from 1 January 2019.

- ***Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)" ... The amendments are effective for periods beginning on or after 1 January 2019)***

In October 2017, the IASB issued limited purpose amendments to IAS 28. The purpose of these amendments is to provide clarifications regarding the accounting handling of long-term interest in associates or joint ventures, which do not apply the net position method, on the basis of IFRS 9. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have been adopted by the European Union and are effective from 1 January 2019.

- ***Annual Improvements to IFRS - 2015-2017 Cycle (for annual accounting periods beginning on or after 01/01/2019)***

In December 2017, the IASB issued the "Annual Improvements to IFRS - 2015-2017 Cycle" which comprises a number of changes to certain Standards and forms part of the annual improvements project. The amendments included in this cycle are: IFRS 3 - IFRS 11: Interests in a joint operation held previously by an entity obtaining control, IAS 12: Income tax discounts for financial instruments classified as equity, IAS 23: Borrowing costs eligible for capitalization. These amendments are applied to accounting periods beginning on or after 1 January 2019. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have not yet been adopted by the European Union.

- ***Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods beginning on or after 01/01/2019)***

In February 2018, IASB issued limited purpose amendments to IAS 19, on the basis of which a financial entity is required to use updated actuarial estimates when determining the current service cost and the net interest for the period after the amendment, curtailment or settlement of a determined benefits plan. The purpose of the said amendments is to enhance understanding of financial statements and the provision of more useful information to the users thereof. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have not yet been adopted by the European Union.

- ***Revised Conceptual Framework for Financial Reporting (effective for annual periods beginning on or after 01/01/2020)***

In March 2018, IASB revised the Conceptual Framework for Financial Reporting. The purpose of the revision was the inclusion of significant issues that were not covered, as well as the update and the provision of clarifications concerning specific guidance. The Revised Conceptual Framework for Financial Reporting includes a new chapter concerning measurement, which analyses the concept of measurement, issues concerning the presentation and disclosures in the Financial Statements and guidance concerning the derecognition of assets and liabilities from the Financial Statements. Further, the Revised Conceptual Framework for Financial Reporting includes improved definitions of assets and liabilities, guidance supporting the implementation of the said definitions, update

2.2. NEW STANDARDS AND INTERPRETATIONS (continued)

to the criteria for the recognition of assets and liabilities, as well as clarifications to significant sectors, such as the roles of management, conservatism and uncertainty during measurement in financial reporting. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have not yet been adopted by the European Union.

- ***Amendments to References to the Conceptual Framework for Financial Reporting (effective for annual periods beginning on or after 01/01/2020)***

In March 2018, the IASB issued Amendments to References to the Conceptual Framework for Financial Reporting, in furtherance of the revision thereof. Certain standards contain explicit references to previous versions of the Conceptual Framework for Financial Reporting. The objective of these amendments is to update the aforementioned references and to support the transition to the revised Conceptual Framework for Financial Reporting. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have not yet been adopted by the European Union.

- ***Amendments to IFRS 3: "Definition of a Business" (effective for annual periods beginning on or after 01/01/2020).***

In October 2018, the IASB issued limited-purpose amendments to IFRS 3 with a view to improving the definition of a business. The amendments will make it easier for companies to determine whether an acquisition is a business combination or acquisition of assets. The amended definition underlines that the output of a business is to provide goods and services to customers, while the previous definition focused on return in the form of dividends, lower costs or other economic benefits to investors or third parties. In addition to the amendment to the definition of a business, the IASB provides, through the said issuance, additional guidance. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have not yet been adopted by the European Union.

- ***Amendments to IAS 1 and IAS 8: "Definition of material" (effective for annual periods beginning on or after 01/01/2020).***

In October 2018, the IASB issued amendments to the definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide which information should be included in their financial statements. The new definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied, including in the definition guidance that was provided to date in other standards. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have not yet been adopted by the European Union.

- ***IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 01/01/2021).***

In May 2017, the IASB issued a new standard, IFRS 17, which replaces interim standard IFRS 4. The IASB's objective was to develop a common, principle-based standard for the accounting treatment of all insurance contracts, including the reinsurance contracts held by an entity. A single, principle-based standard should encourage better comparability of financial information across entities, jurisdictions and capital markets. IFRS 17 specifies the requirements that an entity should meet in financial disclosure for insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of all the above on the Financial Statements, although no impact is expected to occur. The above have not yet been adopted by the European Union.

3. BASIC ACCOUNTING PRINCIPLES

The accounting policies on the basis of which the financial statements are prepared are the following:

(a) Basis of consolidation: The accompanying consolidated financial statements include those of the parent company EMPORIKI EISAGOGIKI AFTOKINITON, DITROHON KAI MIHANON THALASSIS S.A. ("MOTODYNAMICS SA") and of its subsidiaries. All subsidiaries (entities in which Motodynamics has direct or indirect ownership of the majority of voting interest and/or has the power to control the Board) have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the group and cease to be consolidated on the date at which control is transferred out of the Group. All intercompany balances and transactions have been eliminated. Where necessary, accounting policies of the subsidiaries have been revised to ensure consistency with those of the parent. A full list of consolidated subsidiaries, along with the related effective ownership interests of Motodynamics in each, is provided in note 4. It is noted that all Group subsidiaries have the same Financial Statement closing date. The change in interests in a subsidiary without loss of control is considered to be a transaction within equity.

3. BASIC ACCOUNTING PRINCIPLES (continued)

(b) Functional and Presentation Currency and Foreign Currency Translation: The functional and presentation currency of Motodynamics and its Greek subsidiaries is the Euro. Transactions involving other currencies are converted to Euro using the exchange rates which are in effect at the time of the transactions. Assets and liabilities in foreign currency are adjusted to reflect the exchange rates as at the balance sheet date. Profits and losses resulting from transactions in foreign currency as well as year-end valuation of monetary assets and liabilities in foreign currency are reported in the income statement, except for transactions that comply with cash flow hedging requirements that are reported in equity. The functional currency of the Company's foreign subsidiaries is the official currency of the country in which each subsidiary operates. Accordingly, at each reporting date all balance sheet accounts of the subsidiaries are translated into Euro using the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at the weighted average rate of exchange prevailing during the reporting year/period. The accumulated difference resulting from such translation is recognised directly in consolidated equity until the disposal, write off or de-recognition of a subsidiary, when it is transferred to the consolidated income statement.

(c) Intangible assets - Rights - Goodwill: Intangible assets consist mainly of software, the value of which represents acquisition cost increased by any type of outlay incurred during system implementation and reduced by accumulated depreciation and possible impairment. Significant subsequent expenditures are capitalised when they enhance software performance beyond initial specifications. The acquisition value and the accumulated depreciation of an asset are de-recognised after its disposal or when no further economic benefits are expected from its use. Any profit or loss resulting from the de-recognition of an asset is included in the income statement of the year in which the asset was de-recognised.

Rights: The rights relate to rights acquired by the company for the concession of its trade name. They were initially recognised at the acquisition value and are subsequently measured at the acquisition cost less accumulated depreciation. Their useful life is assessed at 10 years and they are depreciated according to the straight-line method.

Goodwill: It is the difference between the acquisition cost and the fair value of the assets and the liabilities of a subsidiary / affiliate as on the acquisition date. The company recognises as on the purchase date the goodwill that resulted from the acquisition as an asset and discloses it at cost. That cost is equal to the amount by which the consolidation cost exceeds the share of the business in the assets, liabilities, and contingent liabilities of the company acquired. Following the initial recognition, goodwill is measured at cost less accumulated losses due to impairment. The goodwill is not depreciated, but it is annually tested for impairment, if there are events that might indicate a loss under IAS 36.

To make the performance of impairment testing easier, the goodwill amount is allocated to cash-flow generating units. A cash-flow unit is the smallest identifiable group of assets that generates independent cash flows and represents the level at which the Group collects and presents financial information for internal reporting purposes. The impairment of goodwill is measured by calculating the recoverable amount from the cash-flow units to which goodwill is related. Impairment losses related to goodwill may not be reversed in future periods. The Group performs the annual impairment testing at the end of the relevant annual reporting period. If the acquisition cost is lower than the company's share in the equity of the business acquired, the company recalculates the acquisition cost, assesses the assets, liabilities, and contingent liabilities of the business acquired, and directly recognises any residual difference following the recalculation in the income statement as a profit.

(d) Tangible Assets: Tangible Assets are stated at historical cost less accumulated depreciation, if applicable, and any accumulated impairment losses. Repairs and maintenance are charged to expenses as incurred.
Significant subsequent expenses are capitalised when increasing the fixed asset's useful life or its production capacity or when decreasing its operating cost. The acquisition value and the accumulated depreciation of an
asset are de-recognised after its disposal or when no further economic benefits are expected from its use. An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

3. BASIC ACCOUNTING PRINCIPLES (continued)

(e) ***Depreciation:*** Depreciation is calculated on a straight-line basis over the average estimated useful economic life of the assets and is included in the income statement, with the exception of transportation means. It is noted that plots are not amortised. The useful lives used are as follows:

Class	Years
Buildings	15- 40
Building improvements	15-20
Machinery and equipment	5 - 10
Means of transportation	5- 10
Furniture and fixtures	3- 8
Software	3-10
Rights	10

Since 01/01/2017, for some categories of transportation means (racing motorcycles - test rides, etc.) applied the declining depreciation method, with rates between 15% and 30%, because it better reflects the useful life of the said fixed assets. The effect to the comparable financial statements was not deemed significant, taking into account IAS 1, para. 31.

(f) ***Impairment of Assets*** The carrying values of non-current assets are subject to impairment if events or changes in circumstance indicate that their carrying values are no longer recoverable. The loss from asset impairment is accounted for in the income statement for the year in which the net carrying value of the asset after depreciation exceeds its recoverable amount. Recoverable amount is determined as the greater of the net selling price and the value in use of the asset in question. Net selling price is the amount which can be obtained from the sale of an asset in an arm's length transaction in which both parties are willing and knowledgeable after the deduction of any incremental disposal costs, while value in use is the present value of expected future cash flows which will result from the continuing use of the asset and from its disposal at the end of its estimated useful life. For the purposes of assessing impairment, assets are grouped at the lowest level for which there exist separately identifiable cash flows.

(g) ***Investments in subsidiaries:*** Investments in subsidiaries are measured at cost less any accumulated impairment losses. In the company's financial statements, the participation of its subsidiaries evaluated at cost value reduced by their value depreciation, when necessary.

(h) ***Inventories:*** Inventories are valued at the lower of acquisition cost and net realizable value. The acquisition cost includes their purchase price plus any other costs necessary to bring them to the company's warehouses, and is
determined for the main goods (cars, two-wheelers, marine motors, etc.) by the specific identification method, while for spare parts, accessories and other complementary products by the annual weighted average cost method. A provision for impairment of inventory value is formed using management estimates based on each situation and the possibility of using the products if this becomes necessary, keeping in mind that the company is obligated to maintain a safety stock of spare parts for the totality of models in circulation.

(i) ***Trade Accounts Receivable:*** Accounts receivable are presented at nominal value after provisions for doubtful balances. The level of the provision for doubtful receivables created by Motodynamics and its subsidiaries at the end of each reporting period is determined on the basis of an estimate of the potential risk of failure to collect overdue accounts or receivables currently in litigation. The accumulated amount of the provision for doubtful receivables is reduced by the amounts receivable that have become irrecoverable. It is the Group's and Company's policy not to write off any receivable debt until all possible forms of legal recourse for collection have been exhausted.

(j) ***Financial Assets and Liabilities:*** Financial assets and liabilities on the balance sheet include cash and equivalents, other receivables and short and long-term liabilities. The accounting principles applied to the recognition and valuation of these assets are mentioned in the respective accounting
principles presented in this note. Interest, dividends, profits and losses resulting from financial assets and liabilities are accounted for as revenues of expenditures respectively. The distribution of dividends is accounted for directly in the net equity position. Motodynamics and subsidiaries do not use derivative financial products, either for risk hedging or for profit-making purposes. The usual risks to which the company is theoretically subject to include market risks (market prices, interest rates, changes in foreign exchange rates), credit risk, and liquidity risk.

(k) ***Cash and Cash Equivalents:*** Fixed-term deposits and other high liquidity investments with a maturity date of less than three months are considered to be cash equivalents.

3. BASIC ACCOUNTING PRINCIPLES (continued)

(l) Bank Loans: Bank loans and credits are initially recognised at cost, which reflects their actual value reduced by loan arrangement expenses. After initial recognition, loans are valued at their unamortised cost based on the effective interest rate method. Unamortised costs include any type of loan or other credit issuance expenses.

(m) Borrowing Costs: All borrowing costs directly attributable to the acquisition, construction or production of an asset fulfilling the requirements, shall be capitalised. An asset fulfilling the requirements is one necessarily requiring a significant period of preparation for the use for which it is intended or sale thereof.

(n) Employee benefits:

Short-term benefits

Short-term benefits to the employees (except than post-employment benefits) in cash and in kind are recognised as a expense when accrued. Any outstanding amount is reported as a liability, while if the amount already paid exceeds the amount of the benefits, the company recognises the surplus as an asset (prepaid expenses) only to the extent that the prepayment will result in a decrease in future payments or refund.

Post-employment benefits

Staff retirement obligations are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end, based on the employees earning retirement benefit rights steadily throughout the working period. Retirement obligations are calculated on the basis of financial and actuarial assumptions detailed and are determined using the projected unit credit actuarial valuation method. Net pension costs for the period are included in payroll in the accompanying income statement and consist of the present value of benefits earned in the year, interest cost on the benefit obligation, past service cost, actuarial profits or losses recognised in the fiscal year and any additional pension changes. Past service costs are recognized on a straight-line basis over the average period until the benefits under the plan become vested. Unrecognised actuarial profits or losses are recognised in equal installments during the average remaining employment period of active staff, and are included in net departure costs due to retirement for the reporting year in cases where at the beginning of the reporting year the accumulated balance exceeds 10% of the expected future obligations for benefits. The retirement benefit obligations are not funded. No provision for employees in foreign subsidiaries is made, as there is no legal basis for such a right.

(o) Employee share scheme: The Group currently has a equity participation scheme where shares of parent Company are allocated to management executives. The fair value of the services provided by employees to whom free shares are granted is recorded as an expense. The total expense is recorded over the maturation period of such rights and is determined based on the fair value of the rights granted. On each balance sheet date, the Group re-examines its estimates on the number of options expected to be exercised and records the readjustment, if any, in the results with respective impact on equity.

(p) Income Tax (Current and Deferred): Current income tax in the consolidated financial statements is estimated on the basis of financial statements of every company included in the consolidation, according to the Greek tax laws currently in force or laws in force in countries where subsidiaries operate. In the separate financial statements current income tax is estimated on the basis of the parent financial statements according to the Greek tax laws currently in force. The expenditure for income tax consists of income tax calculated on the basis of annual results as these are modified in the Company's tax statements, additional income taxes determined by tax audits conducted by the tax authorities and deferred income taxes on the basis of tax rates currently in use. Deferred income taxes are computed on the basis of the liability method for any temporary difference which results from
the difference between the tax base of asset or liability, and their accounting value as this is presented in the financial statements. No deferred tax claim is accounted for where the expected tax benefit will probably not be realised in the near future. For transactions recognised directly in the Company's net equity position, any tax consequence is recognised in the net equity position. The calculation of deferred taxes is carried out using either enacted or substantively
enacted tax rates on the basis of which it is expected that tax claims or obligations will be settled.

3. BASIC ACCOUNTING PRINCIPLES (continued)

Deferred tax liabilities are recognised for all taxable temporary differences unless:

- the deferred income tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction other than a business combination and at the moment of transaction does not affect the accounting profit or the taxable profit or loss, and
- there are taxable temporary differences in relation to investments in subsidiaries, associates and interests in joint ventures, where the timing of reversal of such temporary differences may be controlled and it is probable that temporary differences will not be reversed in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and deferred tax assets and tax losses, to the extent that it is probable there will be available taxable profit which will be used against the deductible temporary differences and deferred unutilised tax assets and losses unless:

- deductible temporary differences arises from the initial recognition of an asset or liability in a transaction other than a business combination and at the moment of transaction does not affect the accounting profit or the taxable profit or loss, and
- deductible temporary differences relating to investments in subsidiaries, associates and interests in joint ventures are recognised only where it is probable that the temporary differences will be reversed in the foreseeable future and there will be taxable profit available to be used against such deductible temporary differences.

(q) Provisions and Contingent Assets and Liabilities: Provisions are recognised when the Company has present legal or constructive obligations as a result of past events, whose settlement involves an outflow of funds and where the exact amount of any eventual liability can be credibly estimated. Provisions are re-examined at the date of preparation of every balance sheet and are modified so as to reflect the present value of the expense expected to be incurred to settle the obligation. In cases where there is a substantial time delay from the recognition of a provision to the expected time of settlement, provisions are discounted using a pretax discount rate.Contingent liabilities are not recognised in the financial statements but are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the financial statements but are disclosed if the inflow of economic benefits is probable.

(r) Earnings per Share*:* Basic earnings per share are computed by dividing net profits attributable to shareholders of the parent by the weighted average number of shares in circulation each year, subtracting the average number of shares repurchased as own shares. Diluted earnings per share are computed by dividing net profits attributable to shareholders of the parent restated by the impact of potential conversion on instruments convertible to shares, by the average number of shares mentioned above, restated by the impact of potential conversion of instruments convertible to shares.

(s) Revenue Recognition*:* Revenues are recognised to the degree that it is probable that economic benefits will flow and where revenue can be reliably measured. Revenues from the sale of goods after the deduction of any discounts and commissions are recognised when the buyer assumes the significant risks and benefits deriving from ownership of the goods in question. Intercompany sales between Group companies are written off. Revenues from the provision of services are recognised on the basis of the stage of completion of the services provided at the date of financial statement preparation, compared to the total services to be provided. Revenues from interest are recognised as revenues in the period to which they refer and revenues from dividends are recognised when the right to receive them has been approved by the respective bodies of the companies declaring the dividends.

(t) Segment Reporting: The Group operates mainly in the automobile, wholesale and retail markets for motorised two-wheelers and marine products (outboards, inflatable crafts etc.) which it considers as operating segments and for which it discloses the required information. Uniform accounting principles are followed for each of these operating segments. Since sales, operating results and assets originating outside the territory of Greece do not represent a significant part of the Company total, the respective analyses by geographical are not disclosed.

(u) Share capital: Expenses incurred for the issue of shares are shown following subtraction of the relevant income tax, reducing the proceeds from the issue. Expenses related to issuance of shares for the acquisition of a business are included in the acquisition cost of the business acquired.

- **Own shares**

Own shares represent Company shares acquired and held by the Company. Own shares are presented at acquisition cost, as separate item, deducted from the equity. Any result occurring from the purchase, sale or cancellation of treasury chares is directly recognized in equity.

3. BASIC ACCOUNTING PRINCIPLES (continued)

(v) Reclassification of items: Certain items of the balance sheet and the income statement of the previous year have been reclassified in order to become comparable to those of the closing year.

(w) Leases:

- ***Group as lessee***

Finance leases that materially transfer to the Group all risks and benefits deriving from the ownership of the leased asset are recorded as assets at a value equal to the lower of the fair value of the leased property as at the start of the lease, or the present value of the minimum rental fees.
The rental fees are allocated between financial expenses and decrease in the payable due, so as to produce a fixed periodical interest rate on the unpaid balance of the financing (payable). Financial expenses are directly recognized in the income statement. Leased assets are depreciated over their useful life, in the same manner as the respective assets owned by the Group. However, if it is not certain whether the leased assets will become property of the Group at the end of the lease, they are depreciated over the shorter of the useful life of the asset and the term of the lease.
Leases in which the lessor essentially retains all benefits and risks emanating from asset ownership are classified as operating leases. Rent payments for operating leases are recorded as expenses in the income statement systematically during the lease. If an operating lease is terminated before its expiry date, the amount paid to the lessor in the form of compensation is recognized as an expense in the period when the lease is terminated. Leases under which risks and rewards of ownership remain with the lessor are classified as operating leases. Payments made for operating leases (net of any incentives offered by the lessor) are recognized in the income statement proportionally over the period of the lease.

- **Group as lessor**

As cited in note 1 (General Information), the Group is active both in the field of short-term rental (rent-a-car) and in the field of long-term rental. All cars that are classified into short-term rentals relate exclusively to operating leases of cars and are included in the tangible assets. Cars that are classified in long-term rentals relate exclusively to operating leases of cars and are included in the tangible assets. The Group has not made any car rentals which are characterized as finance leases and included in its receivables.
The cars purchased by the Group with an option of resale (to their suppliers) are also included in its fixed assets, as it is not certain at the time of purchase that the option will be exercised, on the one hand, and as the Group repays (at the time of purchase) the purchase value of these cars, on the other hand.
The Group policies relating to the operating and finance leases are broken down as follows:

A. Operating leases

A.1 Tangible assets

Leases where the lessor materially retains all the risks and rewards of ownership are classified as operating leases (short-term and long-term). The cars rented under operating leases are included in tangible assets (fleet) in the balance sheet.

Income from rental fees is recognized according to the straight-line method over the period of the lease. The cars rented under operating leases are measured at cost less accumulated depreciation and impairment. The depreciable value of leased cars is equal to the acquisition value less the relevant estimated residual value, and is depreciated using the straight-line method over the lease period, which is 2 to 7 years on average.

A.2 Vehicles with a resale option

The leased vehicles that the Group is entitled to sell or not sell to the supplier at the end of the lease period at fixed prices are recorded as fixed assets in its accounting books and in the balance sheet, their acquisition cost being their purchase price increased by the direct expenses incurred for them. The Group records these vehicles as fixed assets, as it does not know, at the time of their purchase, whether or not it will exercise the option to sell them and, also is also repaying them in full.

B. Finance leases

Finance leases, if any, will be originally recognized as receivables at the beginning of the lease period at the fair value of the vehicle or the present value of the minimum rental fees receivable, whichever is lower. The difference between the gross amount of the receivable and the present value of the receivable will be recognized as unaccrued financial income. The income from the lease will be recorded in the results of the fiscal year of the lease applying the method of net investment, which will represent a fixed periodical return.

3. BASIC ACCOUNTING PRINCIPLES (continued)

Any receivables from finance leases will be long-term rentals that will be recorded in the balance sheet as 'Trade and other receivables'.
These receivables will be valued at their undepreciated cost by use of the effective rate method, after subtracting the impairment losses. Impairment losses will be recognized when there is objective evidence that the Group is not in a position to collect all amounts due to it under the contractual terms. The provision for impairment losses will be based on historical knowledge of the Group and the inherent risks of its portfolio. Receivables will be valued based on the evaluation of the lessee's credit-worthiness and its relevant coverages (if any). The amount of the provision will be the difference between the book value of the receivables and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision will be recorded as an expense in the income statement.

(x) De-recognition of Financial Assets and Liabilities:

(i) Financial assets: Financial assets (or, as the case may be, the part of a financial asset or the part of a financial asset group) are de-recognised when:

- The rights on the case resources' inflow have expired.

- The Company maintains the right on the inflow of cash resources from the specific asset but has also assumed a liability against third parties to fully reimburse them without unreasonable delay in the form of a transfer contract.

- The Company has transferred the right on the inflow of case resources from the specific asset, while, at the same time, it has either (a) transferred substantially all risks and benefits or (b) not transferred substantially all risks and benefits, but has transferred the control over the specific asset.

- In cases that the Company has transferred the rights on inflow of case resources from the specific asset but has not transferred substantially all risks and benefits from, or the control over, the specific asset, then such asset is recognised at the extent of the Company's continued participation in such asset. The continued participation that has the form of a guarantee on the asset transferred is assessed at the lower of the asset's initial balance and the maximum amount that the Company is called to pay. When the continued participation has the form of call and/or put option on the asset (including options settled by cash), the extent of the Company's continued involvement is the value of the asset transferred that the Company may repurchase, excluding the case of a put option on the asset that is assessed at fair value, where the continued participation of the Company is limited to the lower of the fair value of the asset transferred and the option exercise price.

(ii) Financial liabilities: Financial liabilities are de-recognised when the liability is cancelled or expires or no longer exists. If an existing liability is replaced by another of the same lender but under substantially different terms or if there are material changes in the terms of an existing liability, then the initial liability is de-recognised,
and a new liability is recognised and the difference that occurs in the balances is recognised in the results.

(y) Dividends: Dividends are accounted for as income, when the right to collect them is vested. The distribution of dividend is recognised as a liability when approved by the General Meeting of Shareholders.

- ***Determination of fair values***

Under the IFRS, the Group has the discretion to measure its assets or liabilities at their fair value. Fair value is a market-based measurement and does not relate to a specific entity. For certain assets and liabilities, there may be available observable market transactions or market information. For other assets and liabilities, there may not be available observable market transactions or market data or market information. The Group has no significant assets or liabilities measured at fair value.

4. HOLDINGS IN SUBSIDIARIES

The consolidated financial statements comprise the parent company's and the subsidiaries' financial statements, which are consolidated using the total consolidation method and are the following:

Subsidiary / Business	Year of establishment	%	Country
Motodiktyo S.A. Motorcycles, motorbikes, machinery, machines and any type of motor agency, import, trade, distribution, maintenance, repair and assembling.	2002	100%	Greece
Motodynamics Srl. Representation, exclusive distribution, re-export, logistics services and trading of Yamaha brand products in Romania	1994	100%	Romania
Motodynamics Ltd. Representation, exclusive distribution, re-export, logistics services and trading of Yamaha brand products in Bulgaria	1992	100%	Bulgaria
Lion Rental SA Services of car rental, short-term and long-term lease, as an exclusive franchisee of SIXT GmbH & Co	1998	80,5%	Greece

Up to 2011, the Company, jointly appraising international and local developments in conjunction with the accumulated losses of its subsidiaries Motodynamics Srl and Motodynamics Ltd, formed a provision amounting to € 1.820 thousand in total, by which it partially impaired its participating interest in the above subsidiaries, considering that the recovery of the corresponding amount is not forecasted to take place during ensuing years. Within December 2018, the Company reviewed the provision for the devaluation of its participating interests, but no significant differences occurred. The formed provision pertains to subsidiary Motodynamics Ltd (Bulgaria) by € 1.120.000 and Motodynamics Srl (Romania) by € 700.000.

In 2018, the Company's holding in Motodynamics Ltd (Bulgaria) was reduced by € 179.170,48 due to a share capital decrease by reimbursement of cash to the shareholders.

Participation of the parent company in subsidiaries included in the consolidated financial statements has as follows:

	31 December 2018	31 December 2017
Motodiktyo S.A.	1.578.156,52	1.578.156,52
Motodynamics Srl.	1.883.927,84	1.883.927,84
Motodynamics Ltd.	1.320.177,36	1.499.347,84
Lion Rental SA	15.000.000,00	-
Provision for devaluation of participating interests	(1.820.000,00)	(1.820.000,00)
	17.962.261,72	**3.141.432,20**

4.1 Subsidiaries with significant minority interests

The Group has a subsidiary, Lion Rental S.A., which includes significant minority interests. The table below presents the minority interests in Group subsidiaries.

Subsidiary	% minority interests	Results attributable to minority interests	Minority interests
	31/12/2018	31/12/2018	31/12/2018
LION RENTAL SA	19,5%	(-205.177,87)	2.812.053,34

The summary financial statements of the above Group subsidiary before writing off the value of intragroup transactions: amounts in Euro

Subsidiary	**LION RENTAL SA**
	31/12/2018
Brief Statement of Financial Position as at 31 December	
Non-current assets	16.983.921,45
Current assets	23.916.701,99
Assets	**40.900.623,44**
Long-term liabilities	18.787.023,27
Short-term liabilities	7.692.813,79
Total Liabilities	**26.479.837,06**
Equity attributable to shareholders of the parent company	**14.420.786,38**
Attributable to:	
Shareholders of the company	**11.608.733,04**
Minority interests	**2.812.053,34**
Summary income statement and statement of comprehensive income	**03/12/2018 – 31/12/2018**
Sales	2.318.630,85
Profit/(loss) attributable to shareholders of the parent company	(847.016,36)
Minority interests	(205.177,87)
Profit/(loss) for the period after taxes	**(1.052.194,23)**
Other comprehensive income for the year after tax	(0,00)
Total comprehensive income attributable to:	
Shareholders of the parent company	(847.016,36)
Minority interests	(205.177,87)
Aggregate total income	**(1.052.194,23)**
Brief Cash Flow Statement	
Net cash flow from operating activities	(705.838,02)
Net cash flow from investment activities	(124,43)
Net cash flow from financing activities	(14.834.889,98)
Net (decrease) / increase in cash and cash equivalents	**(14.128.927,53)**

5. ACQUISITION OF SUBSIDIARY

Business combinations

Acquisition of control over Lion Rental S.A. by Motodynamics S.A.
On 30/11/2018, Motodynamics S.A., under an agreement with Lion Rental S.A., its shareholders and creditor banks, assumed the obligation to participate, under terms and conditions, in the share capital increase of Lion Rental S.A., which was decided by the Annual General Shareholders' Meeting of Lion Rental S.A. of 30/11/2018. Motodynamics S.A. fulfilled its obligation by payment of € 15.000.000 on 3/12/2018 and acquired a 80,50% holding in the paid-up share capital of Lion Rental S.A. Under IFRS 3, the date on which the acquirer takes control over the acquiree is the date on which the acquirer duly transfers the consideration, acquires the assets and assumes the liabilities of the acquiree.
The total price was paid up in cash and represents an equivalent holding in the share capital increase of the company acquired.

The acquisition of net assets of Lion Rental S.A. falls within the scope of IFRS 3 "Business Combinations". Therefore, the Group Management is currently assessing the fair value of the assets, liabilities, and contingent liabilities as on the date of the transaction, i.e. 3/12/2018, in order to perform the purchase price allocation in accordance with the provisions of IFRS 3 "Business Combinations".

As provided for in IFRS 3, if the price paid for the acquisition of a majority interest in Lion Rental S.A. exceeds the fair value of the assets, less the liabilities as on the date of substantial acquisition of control, the difference will be recognised as goodwill, considering the provisional values of the net assets of Lion Rental S.A.
The fair values recognised in the statement of financial position of the company acquired, the total acquisition price, and the resulting provisional goodwill for the Group as on the acquisition date are as follows:

	LION RENTAL SA Fair values as at 31/12/2018
Assets	
Non-current assets	
Owner-occupied tangible assets - Fleet	11.494.753,94
Other tangible assets	260.719,75
Intangible assets	33.029,24
Other long-term receivables	1.594.666,10
Deferred tax assets	4.741.031,44
Total non-current assets	**18.124.200,47**
Current assets	
Trade receivables	5.028.352,16
Other receivables	3.771.070,20
Cash and cash equivalents	15.739.051,97
Total current assets	**24.538.474,33**
TOTAL ASSETS	**42.662.674,80**
Long-term liabilities	
Post-employment benefits	305.194,62
Non-current loan liabilities	18.000.000,00
Other long-term liabilities	484.630,65
Total	**18.789.825,25**
Short-term liabilities	
Trade and other liabilities	6.100.890,31
Other short-term liabilities	2.298.978,61
Total	**8.399.868,92**
Total liabilities	**27.189.694,17**
Net assets acquired	**15.472.980,63**
Acquisition rate	**80,5%**

5. ACQUISITION OF SUBSIDIARY (continued)

Temporary goodwill	Amounts
Total price	15.000.000,00
Minority interests (15.472.980,63 * 19,5%)	3.017.231,22
Total	**18.017.231,22**
(-) Assets acquired	15.472.980,63
Temporary goodwill	**2.544.250,59**

The company is currently completing the assessment of the fair value of the fleet and receivables, which is estimated not to materially differ from the value recorded in the books of the company acquired as on the date of the transaction.
The goodwill mainly resulted from the prospects that are related to the anticipated growth of the sector where the company acquired operates and the more efficient utilisation of its resources, in combination with the rationalisation of its financial standing.

Measurement of minority interests

The minority interests as on 3/12/2018 were measured based on the proportional share of the current ownership rights in the recognised amounts of the net assets of the company acquired.
The net cash flow for the Group from the acquisition of Lion Rental S.A. stood at € 740 thousand (inflow), calculated as the difference between the cash and cash equivalents of the acquiree, amounting to € 15,74 million, and the price of € 15 million paid for the acquisition.

Contribution in the results of the Group

The acquisition of Lion Rental S.A. resulted in an increase in the Group's assets and liabilities by € 41 million (61,34% of the total assets of the Group) and € 26,5 million (47,55% of the total liabilities of the Group), respectively. The loss after tax and minority interests of Lion Rental S.A. from the acquisition date to 31/12/2018 amounted to € 1,05 million and was included in the consolidated income statement of the Group.
To better understand the impact of the inclusion of the acquired company Lion Rental S.A. in the statement of comprehensive income of the Group for the year ended on 31/12/2018, a breakdown of the results of Lion Rental S.A. for December, which is included in the Group results, as well as the Group results as they would have been without the holding in Lion Rental S.A., is presented below. Given that Lion Rental S.A. operates in the car rental sector, which is characterised by a very specific and high seasonality, it is clear that the results of December is not a representative sample of the expected annual return.

5. ACQUISITION OF SUBSIDIARY (continued)

STATEMENT OF INCOME	MOTODYNAMICS GROUP 01/01 - 31/12/2018 excl. the December period for LION RENTAL	LION RENTAL SA (03/12/2018 - 31/12/2018)	MOTODYNAMICS GROUP 01/01 - 31/12/2018 incl. the December period for LION RENTAL
Turnover	57.162.456,03	2.318.630,85	59.481.086,88
Cost of goods sold	-45.524.043,89	-3.082.428,75	-48.606.472,64
Gross profit	**11.638.412,14**	**-763.797,90**	**10.874.614,24**
Other operating income	288.800,36	35.590,17	324.390,53
Selling expenses	-7.964.709,26	-331.050,47	-8.295.759,73
Administrative expenses	-1.904.750,67	-123.622,15	-2.028.372,82
Research expenses	0,00		
Loss from asset impairment	0,00		
Other operating expenses	-88.422,88	-39.771,88	-128.194,76
Financial expenses	-518.995,21	-51.195,61	-570.190,82
Financial income	9.109,94	0,22	9.110,16
Profit (loss) before tax	**1.459.444,42**	**-1.273.847,62**	**185.596,80**
Income tax	-442.734,12	221.653,39	-221.080,73
Profit after tax from ongoing operations	**1.016.710,30**	**-1.052.194,23**	**-35.483,93**
Net profit (loss) from discontinued operations	0,00		
Profit after tax	**1.016.710,30**	**-1.052.194,23**	**-35.483,93**
Attributable to:	**0,00**		
Shareholders of the parent company	1.016.710,30	-847.016,36	169.693,95
Minority interest	0,00	-205.177,87	-205.177,87
Profit after tax	**1.016.710,30**	**-1.052.194,23**	**-35.483,93**
Net profit (loss) from ongoing operations	**1.016.710,30**	**-1.052.194,23**	**-35.483,93**
Other comprehensive income after taxes (provision for compensation)	3.868,87		3.868,87
Other comprehensive income after taxes (foreign exchange differences)	-1.130,10		-1.130,10
Aggregate total income	**1.019.449,07**	**-1.052.194,23**	**-32.745,16**

5. ACQUISITION OF SUBSIDIARY (continued)

Had the acquisition been performed on 01/01/2018, the consolidated results would have been as follows:

STATEMENT OF INCOME	MOTODYNAMICS GROUP 01/01 - 31/12/2018 without LION RENTAL	LION RENTAL SA 01/01 - 31/12/2018	MOTODYNAMICS GROUP 01/01 - 31/12/2018 with LION RENTAL
Turnover	57.162.456,03	27.275.655,62	84.438.111,65
Cost of goods sold	-45.524.043,89	-24.072.300,61	-69.596.344,50
Gross profit	**11.638.412,14**	**3.203.355,01**	**14.841.767,15**
Other operating income	288.800,36	5.041.892,39	5.330.692,75
Selling expenses	-7.964.709,26	-6.514.671,22	-14.479.380,48
Administrative expenses	-1.904.750,67	-2.033.459,42	-3.938.210,09
Research expenses	0,00		0,00
Loss from asset impairment	0,00	-11.150.125,03	-11.150.125,03
Other operating expenses	-88.422,88	-191.774,63	-280.197,51
Financial expenses	-518.995,21	-1.523.913,07	-2.042.908,28
Financial income	9.109,94	0,22	9.110,16
Profit (loss) before tax	**1.459.444,42**	**-13.168.695,75**	**-11.709.251,33**
Income tax	-442.734,12	-2.875.572,92	-3.318.307,04
Profit after tax from ongoing operations	**1.016.710,30**	**-16.044.268,67**	**-15.027.558,37**
Net profit (loss) from discontinued operations	0,00		0,00
Profit after tax	**1.016.710,30**	**-16.044.268,67**	**-15.027.558,37**
Attributable to:	0,00		0,00
Shareholders of the parent company	1.016.710,30	-12.915.636,28	-11.898.925,98
Minority interest	0,00	-3.128.632,39	-3.128.632,39
Profit after tax	**1.016.710,30**	**-16.044.268,67**	**-15.027.558,37**
Net profit (loss) from ongoing operations	**1.016.710,30**	**-16.044.268,67**	**-15.027.558,37**
Other comprehensive income after taxes (provision for compensation)	3.868,87	-35.477,32	-31.608,45
Other comprehensive income after taxes (foreign exchange differences)	-1.130,10	0,00	-1.130,10
Aggregate total income	**1.019.449,07**	**-16.079.745,99**	**-15.060.296,92**

The above representation regards a hypothetical situation and should not be regarded as an indication of the results that the Group will achieve in the future on a consolidated basis, in particular following the paid-up share capital increase of Lion Rental S.A. by € 15 million and the agreement with the creditor banks concerning the reduction of the Company's borrowings from € 105 million to € 18 million, and the granting of a new funding line of € 10 million for 10 years. Moreover, it should not be confused with the actual financial performance of the Group for the year ended on 31/12/2018, which is shown in the statement of comprehensive income for the year ended on 31/12/2018.

6. TRANSACTIONS - BALANCES WITH SUBSIDIARIES

Transactions with subsidiaries

Transactions with subsidiaries (sales of merchandise and provision of services) are carried out within the Company's normal business operations. Outstanding balances at the end of the period are unsecured, interest free and settlement is made in cash within the term agreed between the said companies. On 31 December 2018, there were no guarantees or any other company's commitments to its subsidiaries. The Company's Management does not deem that a provision is required for potential failure to collect its receivables from its subsidiaries and, therefore, no provision has been formed.

The breakdown of transactions (sales of merchandises and provision of services) of the Company with the above mentioned subsidiaries, in which it holds a participating interest, the balances thereof, as well as the breakdown of transactions among the subsidiaries are presented below.

	COMPANY	
	31 December 2018	**31 December 2017**
Sale of goods and services		
Motodiktyo S.A.	5.854.827,61	7.045.949,19
Lion Rental SA	-	-
Motodynamics Ltd.	787.585,03	891.325,75
Motodynamics Srl.	1.952.910,93	1.611.323,22
	8.595.323,57	**9.548.598,16**
Purchases of goods and services		
Motodiktyo S.A.	85.850,97	45.520,66
Lion Rental SA	-	-
Motodynamics Ltd.	7.612,67	156.417,19
Motodynamics Srl.	30.393,74	28.666,81
	123.857,38	**230.604,66**
Receivables		
Motodiktyo S.A.	2.296.813,57	1.754.636,91
Lion Rental SA	(7.124,56)	-
Motodynamics Srl.	46.770,30	112.408,96
	2.336.459,31	**1.867.045,87**
Liabilities		
Motodiktyo S.A.	1.500,00	1.500,00
Lion Rental SA	-	-
Motodynamics Ltd.	7.124,56	-
Motodynamics Srl.	11.845,74	-
	20.470,30	**1.500,00**

	Motodynamics Ltd.		Motodynamics Srl.	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Sale of goods and services				
Motodynamics Srl	5.240,00	1.260,00	-	-
Motodynamics Ltd.	-	-	28.390,00	1.670,00
	5.240,00	**1.260,00**	**28.390,00**	**1.670,00**
Purchases of goods and services				
Motodynamics Srl	28.390,00	1.670,00	-	-
Motodynamics Ltd.	-	-	5.240,00	1.260,00
	28.390,00	**1.670,00**	**5.240,00**	**1.260,00**

Compensation of key management personnel of the Company and the Group:

Compensation of key management personnel of the Company and the Group for the year ended 31 December 2018 and 2017, were as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Benefits to key management personnel of the Company and the Group				
Compensation of key management personnel	1.254.507,35	1.236.536,36	1.238.299,12	1.236.536,36
Key management personnel receivables	-	-	-	-
Liabilities to key management personnel	798.679,47	788.989,34	798.679,47	788.989,34

7. SALES

Sales presented in the accompanying financial statements are broken down as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Motorised two-wheelers and similar products	19.825.768,53	20.759.277,50	18.709.578,20	20.513.397,66
Rental - sale of cars	2.318.630,85	-	-	-
Marine motors and similar products	7.040.157,66	6.093.248,74	6.886.958,92	6.241.621,28
Cars	14.166.600,45	11.854.402,89	14.166.600,45	11.854.402,89
Spare parts - Accessories - Lubricants - Services	16.129.929,39	15.794.527,24	14.007.830,16	13.600.323,30
Total Sales	**59.481.086,88**	**54.501.456,37**	**53.770.967,73**	**52.209.745,13**

8. ADMINISTRATIVE EXPENSES

Administrative expenses presented in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Staff remunerations and expenses (note 15)	1.449.146,57	1.520.494,37	1.379.559,30	1.520.494,37
Third parties fees and benefits	473.282,88	264.270,49	403.700,30	254.290,49
Advertising and Promotion Expenses	20.249,60	21.743,62	20.249,60	21.743,62
Other	66.578,42	86.674,84	66.578,42	89.724,84
Depreciation of fixed assets (note 16)	19.115,35	-	-	-
Total administrative expenses	**2.028.372,82**	**1.893.183,32**	**1.870.087,62**	**1.886.253,32**

For the year ended on 31 December 2018, the Group's administrative expenses include statutory auditor fees of € 10 thousand, paid for other services than the auditing of the financial statements.

9. SALES AND DISTRIBUTION EXPENSES

Sales and distribution expenses in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017 RESTATED**	**31 December 2018**	**31 December 2017 RESTATED**
Staff remunerations and expenses (note 15)	3.986.211,17	3.162.852,04	2.871.565,09	2.281.542,24
Third parties fees and benefits	2.202.561,66	1.782.221,45	1.639.318,34	1.444.232,34
Advertising and Promotion Expenses	813.499,93	883.252,10	648.547,43	773.961,54
Other	341.901,31	671.320,18	230.624,42	636.692,75
Depreciation of fixed assets (note 16)	951.585,65	953.854,97	870.772,52	894.288,65
Total distribution expenses	**8.295.759,73**	**7.453.500,74**	**6.260.827,80**	**6.030.717,52**

10. OTHER INCOME

Other income presented in the attached financial statements is analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Income from guarantees	117.831,22	23.691,08	140.694,97	119.062,40
Participation against commission to promotional activities	-	5.067,30	-	5.067,30
Income from commissions	10.960,23	11.621,34	1.927,43	4.845,46
Income from sales of assets	75.833,44	38.217,36	64.263,73	34.828,86
Income from insurance firms	33.500,12	8.191,49	20.527,23	1.539,33
Income from prior period provisions	-	42.042,59	-	42.042,59
Income from provisions for bad debts	4.348,84	63.741,62	-	63.741,62
Prior period income	1.025,55	1.045,60	936,24	1.045,60
Income from use of provision for staff indemnities	9.248,73	26.107,72	-	26.107,72
Other	71.642,12	15.013,58	33.831,00	36.646,95
Total other income	**324.390,53**	**234.739,68**	**262.180,60**	**334.927,83**

11. OTHER EXPENSES

Other expenses presented in the financial statements are broken down as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Fines and increments	25.376,21	884,82	4.007,71	879,78
Losses from sales of assets	68.640,93	89.158,56	32.982,59	80.859,18
Past years expenses	31.651,80	41.153,63	28.927,43	39.422,51
Other	2.525,82	5.971,28	2.200,00	2.416,00
Total other expenses	**128.194,76**	**137.168,29**	**68.117,73**	**123.577,47**

12. FINANCIAL INCOME

Financial income presented in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Credit interest	413,46	105.683,66	27,93	105.438,16
Foreign exchange gain	8.696,7	10.446,02	1.077,20	2.619,95
	9.110,16	**116.129,68**	**1.105,13**	**108.058,11**

13. FINANCIAL EXPENSES

Financial expenses presented in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017 RESTATED	31 December 2018	31 December 2017 RESTATED
Debit interest	470.443,90	441.784,63	422.223,57	440.958,44
Commissions and Bank expenses	84.575,41	80.728,96	45.202,82	48.730,76
Foreign exchange loses	15.171,51	7.103,29	4.034,22	1.969,81
Other financial income (expenses)	-	104.405,84	-	104.405,84
	570.190,82	**634.022,73**	**471.460,61**	**596.064,85**

14. INCOME TAX (CURRENT AND DEFERRED)

Income tax in the income statement is analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Current income tax	40.269,89	31.553,62	-	-
Deferred income tax	180.810,84	(84.585,53)	353.141,84	(64.818,81)
	221.080,73	**(53.031,91)**	**353.141,84**	**(64.818,81)**

The tax rate applicable to public limited companies in Greece for the fiscal year ended on 31/12/2018 stands at 29% (2017: 29%). Under the new taxation law 4579/2018 voted for in December 2018, the tax rates applicable to legal entities' profits from business activity will be gradually reduced by 1% per year, as follows: 28% for fiscal year 2019, 27% for fiscal year 2020, 26% for fiscal year 2021, and 25% for fiscal year 2022, and so on.

Tax returns are filed annually but tax profits or losses remain provisional until the company undergoes a tax audit and a final tax assessment is issued. Tax losses, to the extent they are accepted by the tax authorities, can be offset against future profits for a five-year period as of the year in which they arose.

The subsidiary Lion Rental S.A. has been tax audited for the fiscal years up to 2009 inclusive. The fiscal year 2010 has not been audited by tax authorities and has been statute-barred. For FY 2011, 2012, and 2013, the Company has been audited by certified auditors-accountants, as laid down in Article 82(5) of Law 2238/1994. For FY 2014 through 2018, the Company has been audited by certified auditors-accountants, as laid down in Article 65A of Law 4174/2013.

The tax audit for FY 2018 is already being carried out by the auditing firm CERTIFIED PUBLIC ACCOUNTANTS S.A. (SOL S.A.) The Company's Management is not expecting significant tax liabilities upon completion of the tax audit, other than those recorded and presented in the financial statements.
Taking into account the above relating to the Tax Compliance Report (where applicable), the table below presents the fiscal years for which the tax payables of the Company and its domestic subsidiaries have not been finalised yet:

Company	**Unaudited Periods**
Motodynamics S.A.	2017 and 2018
Motodiktyo S.A.	2017 and 2018
Motodynamics Ltd. (Bulgaria)	2008 up to 2018 inclusive
Motodynamics Srl. (Romania)	2010 up to 2018 inclusive
Lion Rental SA	2018

A special tax audit has been carried out on the parent company, Motodynamics S.A., as well as on its subsidiary, Motodiktyo S.A., for the fiscal years 2012 up to 2016 inclusive, pursuant to Article 82 of Law 2238/94 for the fiscal year 2012 and pursuant to Article 65A of Law 4174/2013 for the fiscal years 2013 up to 2016 inclusive, and relevant tax certificates have been issued resulting in a conclusion with any reservations being expressed by the legal auditors.
Under Circular No 1006/2016, companies that have been subject to the above special tax audit are not exempted from statutory auditing by the competent tax authorities.
For the fiscal year 2018, the tax auditing by chartered auditors - accountants for the purpose of issuance of a Tax Compliance Report is in progress. The Management is not expecting significant tax liabilities upon completion of the tax audit, other than those recorded and presented in the financial statements.
On 28/12/2017, the tax audit of the Company for the fiscal years 2010 and 2011 was completed. According to the audit's results, the tax burden per fiscal year is presented below:
Fiscal year 2010, in accordance with the provisions of Decision No. ΔΕΛ Β 1136035 ΕΞ 2017/15.09.2017 of the Head of the Independent Public Revenue Authority, was not audited since it was considered that it is not included in the fiscal years prioritised for audit. Based on the foregoing, the audit prepared a memo which was included in the dossier of the case as an integral part of the audit.
For the fiscal year 2011, additional tax and charges amounting to € 900,00 were assessed. This amount was fully covered by the provision formed for the respective fiscal years. Consequently, there will be no burden on the results of this fiscal year.
For the unaudited tax periods it is not possible to make a reliable assessment of the additional taxes and penalties that maybe charged and that is because taxes and fines are depend on the significance of findings by the tax authorities. To that end, the company has made a provision of € 45.000,00 shown in Accrued and other current liabilities for additional taxes and penalties to account for unaudited tax years, on the basis of tax assessments of previous years. An analysis and reconciliation of the nominal tax amount derived from the application of the nominal rate to earnings before taxes with the actual tax that arose is shown below:

14. INCOME TAX (CURRENT AND DEFERRED) (continued)

	GROUP	
	31 December 2018	**31 December 2017**
Profit before tax	185.596,80	1.077.408,56
Tax rate	29%	29%
Income tax (based on applicable tax rate)	53.823,07	312.448,48
Readjustment of the estimate of prior year losses for which a tax asset is recognised	(71.491,67)	-
Subsidiary losses for which no deferred income tax was recognized	(111.054,04)	-
Difference from tax rate adjustment	80.171,70	-
Tax rate differences between parent and subsidiaries	(49.909,09)	(48.268,78)
Non-tax deductible Expenses		
- Accounting differences	144.319,20	108.091,57
- Other provisional differences of accounting - taxation basis	175.221,56	(425.303,18)
	221.080,73	(53.031,91)
Actual tax burden	**221.080,73**	**(53.031,91)**

	COMPANY	
	31 December 2018	**31 December 2017**
Profit before tax	1.252.668,15	749.889,20
Tax rate	29%	29%
Income tax (based on applicable tax rate)	363.273,76	217.467,87
Readjustment of the estimate of prior year losses for which a tax asset is recognised	(71.491,66)	-
Difference from tax rate adjustment	72.836,85	-
Non-tax deductible Expenses		
- Accounting differences	101.500,00	108.091,57
- Other provisional differences of accounting - taxation basis	(112.977,11)	(390.378,25)
	353.141,84	(64.818,81)
Actual tax burden	**353.141,84**	**(64.818,81)**

Deferred income taxes are calculated on the basis of all temporary tax differences based on the tax rates expected to be in force during the years in which an asset will be recovered or a liability will be settled and based on tax rates (and tax laws) that are applicable at the balance sheet date. The income tax rate for 2018, as applicable to the Greek companies of the Group, is 29%.

The Company has used the applicable rates as the case may be depending on when temporary differences are to be settled. Movement in the deferred income tax account is as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Beginning Balance	1.602.494,59	1.517.709,06	1.322.211,88	1.257.393,07
Balance from subsidiary acquisition	4.741.031,44	-	-	-
Direct charge on equity	32.042,74	-	33.507,02	-
Debit to income statement	(180.810,84)	84.585,53	(353.141,84)	64.818,81
Ending Balance	**6.194.757,93**	**1.602.494,59**	**1.002.577,06**	**1.322.211,88**

14. INCOME TAX (CURRENT AND DEFERRED) (continued)

Deferred income tax assets and liabilities are as follows :

	GROUP			
	Balance sheet		Income statement	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Deferred tax assets				
- Write-off of intangibles	39.483,85	70.440,86	327.081,00	2.885,98
- Inventories	230.968,26	234.407,10	(3.438,84)	2.069,34
- Tax losses	2.458.371,59	485.025,80	(290.790,79)	-
- Provision for staff retirement indemnities	116.262,56	126.245,04	(9.982,48)	(62.328,71)
- Board of Directors' Fees	196.000,00	203.000,00	(7.000,00)	-
- Other provisions	2.752.016,50	92.914,24	(174.831,22)	5.492,60
- Provision for doubtful receivables	626.138,30	636.871,51	(44.240,23)	83.966,11
Gross Deferred Income Tax Assets	**6.420.241,06**	**1.848.905,14**	**(203.202,56)**	**32.085,32**
Deferred tax liabilities				
- Depreciation of tangible fixed assets	(57.570,33)	(62.718,38)	5.148,05	(376,59)
- Depreciation of intangible fixed assets	(167.912,78)	(183.692,17)	17.243,66	52.876,80
Gross Deferred Income Tax Liabilities	**(225.483,11)**	**(246.410,55)**	**20.927,44**	**52.500,21**
Net Deferred Income Tax Assets	**6.194.757,93**	**1.602.494,59**		
Credit/Debit to results			**(180.810,84)**	**84.585,53**

	COMPANY			
	Balance sheet		Income statement	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Deferred tax assets				
- Write-off of intangibles	58.883,93	64.439,02	(5.555,09)	-
- Provision for:				
- slow moving inventories	111.058,32	121.633,83	(10.575,51)	(8.616,48)
- staff retirement indemnities	116.262,56	126.245,04	(9.982,48)	(62.328,71)
- Board of Directors' Fees	196.000,00	203.000,00	(7.000,00)	-
- Other provisions	134.029,00	74.644,84	59.384,16	(17,40)
- Tax losses	40.040,00	398.025,80	(357.985,80)	-
- Provision for doubtful receivables	571.786,36	580.633,90	(42.354,56)	83.281,19
Gross Deferred Income Tax Assets	**1.228.060,17**	**1.568.622,43**	**(374.069,27)**	**12.318,60**
Deferred tax liabilities				
- Depreciation of tangible fixed assets	(57.570,33)	(62.718,38)	5.148,05	(376,59)
- Depreciation of intangible fixed	(166.448,50)	(183.692,17)	17.243,66	52.876,80
- Other	(1.464,28)	-	(1.464,28)	
Gross Deferred Income Tax Liabilities	**(225.483,11)**	**(246.410,55)**	**20.927,44**	**52.500,21**
Net Deferred Income Tax Assets	**1.002.577,06**	**1.322.211,88**		
Credit/Debit to results			**(353.141,84)**	**64.818,81**

The Group estimates that in the next fiscal years there will be taxable profits both for the parent company and its subsidiaries, which will offset part of the tax losses established to date.

15. PAYROLL COST

Payroll cost presented in the accompanying finances statements is analyzed as follows :

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Payroll cost included in :				
- Administrative expenses (note 8)	1.449.146,57	1.520.494,37	1.379.559,30	1.520.494,37
- Sales & Distribution expenses (note 9)	3.986.211,17	3.162.852,04	2.871.565,09	2.281.542,24
	5.435.357,74	**4.683.346,41**	**4.251.124,39**	**3.802.036,61**

All payroll costs incurred in 2018 and 2017 have been charged to income in these respective years.

16. DEPRECIATION

Depreciation presented in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Depreciation included in :				
- Administrative expenses (note 8)	19.115,35	-	-	-
- Sales & Distribution expenses (note 9)	951.585,65	953.854,97	870.772,52	894.288,65
- Cost of Sales	214.862,19	56.576,52	-	-
	1.185.563,19	**1.010.431,69**	**870.772,52**	**894.288,65**

The above depreciation charges refer to the following asset categories:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Depreciation				
- of tangible assets (note 18)	1.014.858,19	844.211,25	703.249,02	729.669,21
- intangible assets (note 18)	170.705,00	166.220,44	167.523,50	164.619,65
	1.185.563,19	**1.010.431,69**	**870.772,52**	**894.288,65**

All depreciation charged in 2018 and 2017 has been included in the financial statements for the respective years.

17. EARNINGS PER SHARE

Basic earnings per share were calculated by dividing the net earnings attributable to the parent company's shareholders by the weighted average number of trading shares during the year, except for the average of ordinary shares acquired as treasury shares. Diluted earnings per share were calculated by dividing the net earnings/losses attributable to the parent company's shareholders by the weighted average number of trading shares as above, adapted to the effect of the possible allocation of free shares, except for the average of ordinary shares acquired as own shares.

	GROUP		COMPANY	
	1.1 – 31.12.2018	**1.1 – 31.12.2017 RESTATED**	**1.1 – 31.12.2018**	**1.1 – 31.12.2017 RESTATED**
Earnings used for the calculation of basic / diluted earnings per share	**169.693,95**	**1.130.440,47**	**899.526,31**	**814.708,01**
Shares' weighted average				
Total Shares	11.700.000	11.700.000	11.700.000	11.700.000
Less: Weighted average of own share purchase	-	-	-	-
Basic weighted average of shares	**11.700.000**	**11.700.000**	**11.700.000**	**11.700.000**
Total Shares	11.700.000	11.700.000	11.700.000	11.700.000
Less: Weighted average of own share purchase	-	-	-	-
Plus: Weighted average of reserves for allocation of free shares to directors	-	-	-	-
Diluted	**11.700.000**	**11.700.000**	**11.700.000**	**11.700.000**
Earnings per share (in Euro):				
Basic	0,0145	0,0966	0,0769	0,0696
Diluted	0,0145	0,0966	0,0769	0,0696

18. TANGIBLE FIXED ASSETS

The tangible fixed assets of the Group presented in the accompanying financial statements can be broken down as follows:

	Land	Buildings	Machinery	Transport Equipment	Fleet Vehicles	Furniture & Fixtures	Total
Value at Acquisition							
31 December 2016	**401.047,37**	**3.173.900,39**	**737.571,34**	**3.014.712,70**	**-**	**4.423.168,70**	**11.750.400,50**
Προσθήκες	-	2.835,00	21.398,30	1.329.130,65	-	99.119,39	**1.452.483,34**
Foreign exchange differences	-	-	(350,21)	(2.212,83)	-	(5.881,19)	**(8.444,23)**
Sales	-	-	-	(804.808,22)	-	(5.500,00)	**(810.308,22)**
Disposals-Items Written off	-	-	-	-	-	(45.505,68)	**(45.505,68)**
31 December 2017	**401.047,37**	**3.176.735,39**	**758.619,43**	**3.536.822,30**	**-**	**4.465.401,23**	**12.338.625,72**
Acquisition of subsidiary	124.611,65	-	5.124,86	-	11.494.753,94	130.983,24	**11.755.473,69**
Additions	-	477.404,48	44.697,87	1.814.709,22	876.432,38	296.445,67	**3.509.689,63**
Foreign exchange differences	-	-	(14,26)	(93,32)	-	(243,07)	**(350,65)**
Sales	(99.080,68)	(153.882,77)	-	(1.191.575,36)	(1.687.800,01)	(18.706,74)	**(3.151.045,56)**
Disposals-Items Written off	-	(5.630,32)	-	-	-	-	**(5.630,32)**
31 December 2018	**426.578,34**	**3.494.626,78**	**808.427,90**	**4.159.862,84**	**10.683.386,31**	**4.873.880,33**	**24.446.762,50**
Accumulated Depreciation							
01 January 2016	**-**	**1.783.566,13**	**602.469,65**	**1.056.364,75**	**-**	**3.770.908,31**	**7.213.308,84**
Depreciation for the year (note 15)	-	173.152,30	73.859,41	449.802,01	-	147.397,54	**844.211,25**
Impairments-Write-offs	-	-	-	-	-	(45.505,68)	**(45.505,68)**
Foreign exchange differences	-	-	(274,43)	(1.844,26)	-	(5.188,08)	**(7.306,77)**
Sales	-	-	-	(212.667,14)	-	(598,90)	**(213,266.04)**
31 December 2017	**-**	**1.956.718,43**	**676.054,63**	**1.291.655,35**	**-**	**3.867.013,19**	**7.791.441,60**
Depreciation for the year (note 15)	13.739,68	187.895,83	37.553,73	477.524,07	135.685,25	162.459,63	**1.014.858,19**
Impairments-Write-offs	-	(4.982,70)	-	-	-	-	**(4.982,70)**
Foreign exchange differences	-	-	(13,16)	(92,04)	-	(275,79)	**(380,99)**
Sales	-	(52.897,27)	-	(247.034,87)	(17.719,19)	(2.254,96)	**(319.906,29)**
31 December 2018	**13.739,68**	**2.086.734,29**	**713.595,20**	**1.522.052,51**	**117.966,06**	**4.026.942,07**	**8.481.029,81**
Net Book Value							
31 December 2016	**401.047,37**	**1.390.334,26**	**135.101,69**	**1.958.347,95**	**-**	**652.260,40**	**4.537.091,66**
31 December 2017	**401.047,37**	**1.220.016,96**	**82.564,80**	**2.245.166,95**	**-**	**598.388,04**	**4.547.184,12**
31 December 2018	**412.838,66**	**1.407.892,49**	**94.832,70**	**2.637.810,33**	**10,565,420.25**	**846.938,26**	**15.965.732,69**

18. TANGIBLE FIXED ASSETS (continued)

The tangible fixed assets of the Company presented in the accompanying financial statements can be broken down as follows:

	Land	Buildings	Machinery	Transport Equipment	Furniture & Fixtures	Total
Value at Acquisition						
31 December 2016	**401.047,37**	**2,659,486.35**	**650.846,33**	**2.619.801,85**	**3.426.281,84**	**9.757.463,74**
Προσθήκες	-	2.835,00	21.398,30	987.378,70	65.578,23	**1.077.190,23**
Sales	-	-	-	(624.313,12)	-	**(624.313,12)**
31 December 2017	**401.047,37**	**2.662.321,35**	**672.244,63**	**2.982.867,43**	**3.491.860,07**	**10.210.340,85**
Προσθήκες	-	180.337,40	13.283,68	1.405.506,77	165.591,51	**1.764.719,36**
Sales	99.080,68	153.882,77	-	1.134.259,89	17.206,74	**1.404.430,08**
31 December 2018	**301.966,69**	**2.688.775,98**	**685.528,31**	**3.254.114,31**	**3.640.244,84**	**10.570.630,13**
Accumulated Depreciation						
31 December 2016	**-**	**1,310,266.41**	**519.962,39**	**947.378,98**	**2.793.344,03**	**5.570.951,81**
Depreciation for the year (note 15)	**-**	159.264,22	72.771,36	368.973,30	128.660,33	**729.669,21**
Sales	**-**	**-**	-	(177.623,34)	-	**(177.623,34)**
Impairments-Write-offs	**-**	**-**	-	-	-	**-**
31 December 2017	**-**	**1.469.530,63**	**592,733.75**	**1.138.728,94**	**2.922.004,36**	**6.122.997,68**
Depreciation for the year (note 15)	**-**	165.281,29	33.064,14	373.535,10	131.368,49	**703.249,02**
Sales	-	(52.897,27)	-	(236.240,78)	(2.161,63)	**(291.299,68)**
31 December 2018	**-**	**1.581.914,65**	**625.797,89**	**1.276.023,26**	**3.051.211,22**	**6.534.947,02**
Net Book Value						
31 December 2016	**401.047,37**	**1.349.219,94**	**130.883,94**	**1.672.422,87**	**632.937,81**	**4.186.511,93**
31 December 2017	**401.047,37**	**1.192.790,72**	**79.510,88**	**1.844.138,49**	**569.855,71**	**4.087.343,17**
31 December 2018	**301.966,69**	**1.106.861,33**	**59.730,42**	**1.978.091,05**	**589.033,62**	**4.035.683,11**

No liens or other commitments burden the Group or Company's fixed assets.

19. GOODWILL

The goodwill arising from the consolidation of acquired businesses for the fiscal years 2018 and 2017 is broken down as follows:

(amounts in euros)	**Goodwill**
Net book value as at 31/12/2017	**-**
Gross book value	2.544.250,59
Impairment	--
Net book value as at 31/12/2018	**2.544.250,59**

	Goodwill
Net book value as at 1 January2017	
Additions from subsidiary acquisition	2.544.250,59
Sales - Disposals	-
Impairment	-
Takeover of subsidiary	-
Net book value as at 31/12/2018	**2.544.250,59**

The goodwill shown in the financial statements is the provisional goodwill generated from the acquisition of LION RENTAL S.A. in 2018. A breakdown of the acquisition data is cited in note 5 to the financial statements.

- **Goodwill impairment review**

The Group reviewed goodwill for potential impairment. The recoverable amount of goodwill was assessed based on value in use, which was calculated using the discounted cash flow method. In determining value in use, the management uses assumptions that are considered reasonable and based on the consensus of estimates made by international rating agencies and analysts, as well as on the best possible information available to it, which is valid as of the reporting date of the financial statements. The impairment review undertaken revealed no need for derecognition of goodwill.

- **Assumptions used to determine value in use**

To determine the recoverable value of cash-generating units, the Group relied on business plans prepared by management, which include the necessary revisions to indicate the current economic climate and reflect past experience, sector study forecasts, and other available information from external sources. The key assumptions used by the Group to determine the estimated future cash flows are as follows:

- **Weighted Average Cost of Capital (WACC)**

The WACC method reflects the discount rate of future cash flows, at which the cost of equity and the cost of long-term borrowing are weighted, in order to calculate the cost of total capital. Given that the denomination of all cash flows in the business plans is in euros, the performance of the ten-year German Bond was used to reflect risk-free return. Estimates from independent sources were taken into account in calculating the risk premium. The sensitivity of beta coefficients is assessed annually according to published market data, on the basis of similar companies listed on Greek and foreign stock exchanges. The Company's WACC was estimated at 10.5%. Apart from the above estimates relating to the assessment of the value in use of cash-generating units, Management is not aware of any changes in conditions that could affect its other assumptions. The Group analysed the sensitivity of the recoverable amounts in relation to a 0,5% change in the basic assumption of the discount rate. No impairment amount is expected to arise according to the relevant analyses.

- **Preparation of business plans**

Business plans are prepared for a maximum 5-year period and are based on recently drawn up budgets and estimates.

The anticipated growth in turnover for the next five years was based on sector analysis, past data, as well as management's estimates of the outcome of specific strategic actions (product differentiation, promotion, pricing policy, etc.).
The evolution of cost data was based on the envisaged network of rental stations and their staffing, as well as the maintenance needs of the vehicle fleet, using reasonable assumptions.
The investment plan took into account the purchase of a sizable fleet of vehicles within the framework of the Group's financial resources in order to carry out the above actions, as well as the policy regarding the maximum time they should remain in service.
Cash flows beyond the 5-year period are extrapolated using estimated growth rates. The growth rate was assessed at 2% in perpetuity.

20. INTANGIBLE ASSETS - RIGHTS

Intangible assets include the software programmes and rights presented in the accompanying financial statements, and which are analysed in detail as follows:

	GROUP			COMPANY		
	Software	**Rights**	**Total**	**Software**	**Rights**	**Total**
Value at Acquisition						
31 December 2016	**1.539.234,24**	**830.000,00**	**2.369.234,24**	**1.405.571,21**	**830.000,00**	**2.235.571,21**
Προσθήκες	47.955,00	-	**47.955,00**	44.605,00	-	**44.605.00**
Foreign exchange differences	(705,64)	-	**(705,64)**	-	-	**-**
31 December 2017	**1.586.483,60**	**830.000,00**	**2.416.483,60**	**1.450.176,21**	**830.000,00**	**2.280.176,21**
Acquisition of subsidiary	33.029,24	-	33.029,24	-	-	**-**
Προσθήκες	111.893,34	-	111.893,34	94.804,59	-	**94.804,59**
Foreign exchange differences	(28,73)	-	(28,73)	-	-	**-**
31 December 2018	**1.731.377,45**	**830.000,00**	**2.561.377,45**	**1.544.980,80**	**830.000,00**	**2.374.980,80**
Accumulated Depreciation						
31 December 2016	**1.173.742,83**	**468.995,08**	**1.642.737,91**	**1.042.705,07**	**468.995,08**	**1.511.700,15**
Depreciation for the year (note 15)	83.220,64	82.999,80	**166.220,44**	81.619,64	82.999,80	**164.619,44**
Foreign exchange differences	(705,64)	-	**(705,64)**	-	-	**-**
31 December 2017	**1.256.257,83**	**551.994,88**	**1.808.252,71**	**1.124.324,71**	**551.994,88**	**1.676.319,59**
Depreciation for the year (note 15)	87.705,20	82.999,80	**170.705,00**	84.523,70	82.999,80	**167.523,50**
Foreign exchange differences	(28,73)	-	**(28,73)**	-	-	**-**
31 December 2018	**1.343.934,30**	**634.994,68**	**1.978.928,98**	**1.208.848,41**	**634.994,68**	**1.843.843,09**
Net Book Value						
31 December 2016	**365.491,41**	**361.004,92**	**726.496,33**	**362.866,14**	**361.004,92**	**723.871,06**
31 December 2017	**330.225,77**	**278.005,12**	**608.230,89**	**325.851,50**	**278.005,12**	**603.856,62**
31 December 2018	**387.443,15**	**195.005,32**	**582.448,47**	**336.132,39**	**195.005,32**	**531.137,71**

21. INVENTORIES

The inventory presented in the attached financial statements is analysed in detail as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Motorised two-wheelers and similar products	3.332.691,48	3.053.464,06	2.367.490,31	1.962.287,71
Marine motors and similar products	1.125.827,01	1.377.339,63	923.701,37	1.217.208,39
Cars	790.111,49	736.200,37	790.111,49	736.200,37
Spare parts - Accessories - Lubricants	2.439.983,92	2.761.142,61	1.541.683,81	1.794.235,02
Total	**7.688.613,90**	**7.928.146,67**	**5.622.986,98**	**5.709.931,49**
Provision for slow moving inventory	(607.293,00)	(597.556,00)	(419.088,00)	(419.427,00)
	7.081.320,90	**7.330.590,67**	**5.203.898,98**	**5.290.504,49**
Non custom clearance inventories	3.829.590,20	4.657.838,12	3.829.590,20	4.657.838,12
Goods in transit	450.046,12	661.337,80	450.046,12	661.337,80
Total Inventories	**11.360.957,22**	**12.649.766,59**	**9.483.535,30**	**10.609.680,41**

No liens exist on Group or Company inventories.

The provision for impairment of inventory value concerns mostly to spare parts and is formed whenever management considers it appropriate, taking into consideration safety stock for spare parts which the company is obliged to maintain for all models in circulation. The provision's movement is as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Beginning Balance	**(597.556,00)**	**(637.271,00)**	**(419.427,00)**	**(449.139,00)**
Additional provision	(10.076,00)	-	-	-
Reversal of unused provision	339,00	39.715,00	339,00	29.712,00
Ending Balance	**(607.293,00)**	**(597.556,00)**	**(419.088,00)**	**(419.427,00)**

22. TRADE RECEIVABLES

Trade receivables presented in the accompanying financial statements are analysed in detail as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017 RESTATED	31 December 2018	31 December 2017 RESTATED
Open accounts	17.064.410,22	2.744.371,71	2.710.838,48	2.272.332,13
Cheques receivable	3.359.322,71	795.820,33	713.179,57	654.954,62
Notes receivable	670.312,86	456.513,02	456.513,02	456.513,02
	21.094.045,79	**3.996.705,06**	**3.880.531,07**	**3.383.799,77**
Less provisions for doubtful accounts	(12.990.560,05)	(1.237.163,39)	(1.145.754,68)	(997.171,21)
Trade balance	**8.103.485,74**	**2.759.541,67**	**2.734.776,39**	**2.386.628,56**

22. TRADE RECEIVABLES (continued)

The provision for customer bad debts is formed for specific outstanding balances whose collection is considered doubtful by management, as well as provision for credit loss accruing with the maturity of balances due, on the basis of historical data. The credit policy for collecting receivables ranges between 60 and 115 days, based on which the following table of balances reaching maturity has been drawn up. There are no liens on receivables. This provision presented the following movement during the year:

	GROUP		COMPANY	
	31 December 2018	31 December 2017 RESTATED	31 December 2018	31 December 2017 RESTATED
Beginning Balance	**(1.237.163,39)**	**(922.513,54)**	**(997.171,21)**	**(697.160,21)**
Balance from subsidiary acquisition	(11.597.350,19)	-	-	-
Additional as per IFRS 9	(115.541,41)	-	(115.541,41)	-
Additional provision	(40.519,77)	(315.011,00)	(33.042,06)	(300.011,00)
Change of exchange rate	14,71	361,15	-	-
Receivable write – offs	-	-	-	-
Ending Balance	**(12.990.560,05)**	**(1.237.163,39)**	**(1.145.754,68)**	**(997.171,21)**

The maturity of overdue receivables is as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017 RESTATED	31 December 2018	31 December 2017 RESTATED
Current receivables	4.513.879,01	1.703.929,55	1.806.618,63	1.331.003,44
Overdue :				
up to 30 days	465.740,30	362.944,17	444.085,51	362.944,17
31 – 90 days	1.454.141,04	130.156,04	133.005,77	130.156,04
91 – 180 days	637.744,99	73.582,95	54.260,44	73.582,95
more than 180 days	14.022.540,44	1.726.095,35	1.442.560,72	1.486.113,17
Total	**21.094.045,79**	**3.996.705,06**	**3.880.531,07**	**3.383.799,77**
Provision for doubtful customer accounts	**(12.990.560,05)**	**(1.237.163,39)**	**(1.145.754,68)**	**(997.171,21)**
Total trade receivables	**8.103.485,74**	**2.759.541,67**	**2.734.776,39**	**2.386.628,56**

Please note that the above tables relating to the breakdown of trade receivables have been restated in the comparative year 31 December 2017, as detailed in note 36.
It is noted that the maturity of trade receivables is analysed in Credit Risk Management, note 33.

23. OTHER RECEIVABLES

Other receivables presented in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Advances and credits	375.541,70	29.272,54	15.131,42	11.862,65
Advances to suppliers	63.182,89	96.023,22	63.182,89	96.023,22
The Greek State	66.033,70	1.550,46	49.342,18	1.550,46
The Greek State - Disputed receivables	3.204.506,92	-	-	
Employee loans	14.371,00	11.555,00	14.371,00	11.555,00
Sundry debtors	78.731,44	38.500,28	67.364,78	38.500,28
Prepaid expenses	563.462,63	143.532,59	173.946,18	123.839,35
Deferred long-term receivables (note 32)	152.765,21	152.763,77	152.765,21	152.763,77
Accrued income	-	30.638,04	-	30.638,04
Total other receivables	**4.518.595,49**	**503.835,90**	**536.103,66**	**466.732,77**

24. CASH & CASH EQUIVALENTS

Cash and cash equivalents presented in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Cash	118.118,88	19.339,95	2.688,47	5.987,50
Sight Deposits	15.026.620,31	266.301,85	8.373,96	14.847,41
Total	**15.144.739,19**	**285.641,80**	**11.062,43**	**20.834,91**

The interest rates of the aforementioned deposits range between 0.4% and 0.9% (floating rate). The following table analyses cash and cash equivalents by currency (denominated in Euro):

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Cash & cash equivalents in:				
- Euro	14.944.891,18	92.607,76	11.062,43	20.834,91
- Bulgarian Leva (BNG)	59.722,63	94.498,74	-	-
- Romanian Leu (RON)	140.125,38	98.535,30	-	-
Total	**15.144.739,19**	**285.641,80**	**11.062,43**	**20.834,91**

25. ALLOCATION OF BONUS SHARES TO DIRECTORS

That reserve relates to Directors' rights to receive shares for free, under a services agreement approved by the General Meeting in a previous fiscal year. Even though the vesting date of such rights may have elapsed without their having been exercised, that reserve may not be reversed.

26. SHARE CAPITAL

As at 01/01/2016, the company's share capital amounted to €6.903.000, consisting of 11.700.000 ordinary shares, of nominal value € 0,59 each.

The Ordinary General Meeting of the Company's Shareholders of 9 May 2017 decided to reduce the Company's share capital by three hundred fifty-one thousand euros (€351.000,00) by reducing the nominal value of the share from €0,59 to €0,56, i.e. by €0,03 per share, with the purpose of returning capital to the shareholders in the amount of €0,03 per share.

Following the above reduction, the share capital stands at € 6.552.000 and is divided into 11.700.000 shares with a nominal value of € 0,56 each.
The same Ordinary General Meeting of the Company's Shareholders of 9 May 2017 also decided to reduce the Company's share capital by one million eight hundred seventy-two thousand euros (€1.872.000,00) by reducing the nominal value of the share from €0,56 to €0,40, i.e. by €0,16 per share, with the purpose of offsetting Company losses.

Following the above reduction, the share capital stands at € 4.680.000 and is divided into 11.700.000 shares with a nominal value of € 0,40 each.
The Ordinary General Meeting of the Company's Shareholders of 24 May 2018 decided to reduce the Company's share capital by four hundred sixty eight thousand euro (€468.000,00) by reducing the nominal value of the share from €0,40 to €0,36, i.e. by €0,04 per share, with the purpose of returning capital to the shareholders in the amount of €0,04 per share in cash.

Following the above reduction, the share capital stands at € 4.212.000 and is divided into 11.700.000 shares with a nominal value of € 0,36 each.

In implementation of the decision of the Company's Ordinary General Meeting of Shareholders of 30 May 2008 and its extension, according to the Ordinary General Meetings of 23 April 2010, 17 May 2011, 26 June 2012, 29 May 2013 and 05 June 2015, the Company proceeded, until 30 June 2016, to the purchase of 65.134 Treasury Shares amounting to € 23.653,33.

On 17 October 2016, the company's Board of Directors decided to offer all the company's treasury shares to its employees. The offer price was set at € 0,35 per share. The aggregate offering value was € 22.796,90.

27. RESERVES

The reserves presented in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017 RESTATED	31 December 2018	31 December 2017 RESTATED
Ordinary Reserve	1.041.217,40	1.031.714,18	1.011.293,53	1.011.393,53
Special Reserve	15.568,80	15.568,80	15.568,80	15.568,80
Tax free reserves under special law	3.439,68	3.439,68	3.439,68	3.439,68
Reserves for allocation of free shares to directors (note 25)	160.727,43	160.727,43	160.727,43	160.727,43
Treasury Share Purchase (note 26)	-	-	-	-
	1.220.953,31	**1.211.450,09**	**1.191.029,44**	**1.191.029,44**

According to Greek commercial law, companies are obliged to set up a legal reserve for 5% of their annual net profits until this reserve reaches one third of their paid-in capital. Any distribution from the ordinary reserve is prohibited during the Company's life. For the year ended 31 December 2018, the parent has formed no additional ordinary reserve.

Tax-free reserves under special laws refer to profits which exempted from taxation on the basis of special laws (on the assumption that sufficient profits for their formation exists). These reserves relate to investments and are not subject to distribution. In case of their distribution, income tax is paid for the distributed amounts based on the tax rates being in force. As provided for in IAS 12 «Income Taxes», no deferred tax liability has been recognised for the above reserves.

The special reserve of € 15.568,80 formed in the year 2009 corresponds to dividend on treasury shares held by the company on the date of the ordinary General Meeting which was not distributed due to technical problems.

28. DIVIDENDS

Pursuant to Greek law provisions, the companies are obliged to annually allocate dividends corresponding to at least 35% of profits after taxes, after having formed the statutory reserve pursuant to law. The non-distribution of dividends is subject to the approval of at least 70% of the shareholders in an ordinary General Meeting.

In foreign subsidiaries, any profits are distributed according to the laws in force in each country.

Following a recommendation from the Board of Directors, the Ordinary General Meeting of 24 May 2018 decided not to distribute dividends for the fiscal year 2017.

The parent company's Board of Directors decided, upon approval of the accompanying financial statements of 4 April 2019, not to distribute dividends for the fiscal year 2018, a decision subject to the approval of the ordinary General Meeting.

29. PROVISION FOR STAFF RETIREMENT INDEMNITIES

As of 31 December 2018 and 2017, the established provision for staff retirement indemnities relates to parent company as well as its Greek subsidiaries. In accordance with Greek law, employees are entitled to indemnities for dismissal or for retirement, the amount of which varies according to salary, years of service and the the manner of the employee's departure
(retirement or dismissal). Employees who resign or are dismissed with proper justification are not entitled to an indemnity. Indemnity payable in case of retirement amounts to 40% of the indemnity payable
in case of dismissal without proper justification. Usually in Greece, according to the effective local practice, the staff compensation programs are not financed. These programmes are treated as defined benefit plans under IAS 19. The Group and the Company charges the accrued benefits in each period with a corresponding increase of the provision for the future liability due to retirement. Payments of retirement benefits for each period reduce the accumulated provision. We note that on 31 December 2018 there was no respective liability for subsidiaries abroad.

Movement in the net liability for staff indemnities for the parent company and the Group is as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Net Liability at the beginning of the year	**540.854,99**	**751,275.63**	**435.327,72**	**650.254,30**
- Acquisition of subsidiary	305.194,60	-	-	-
- Benefits paid	(37.825,00)	(261.000,00)	(8.525,00)	(261.000,00)
- Expense recognised in the income statement	70.013,71	44.164,78	44.105,06	39.242,46
- Expense to be posted in the comprehensive income statement (actuarial profit/losses)	(5.333,15)	6.414,58	(5.857,53)	6.830,96
Net Liability at the end of the year	**872.905,15**	**540.854,99**	**465.050,25**	**435.327,72**

The parent company's liability to pay retirement indemnities was based on an actuarial study prepared by an independent company of internationally renowned actuaries. Respective actuarial studies were performed for the subsidiaries Motodiktyo S.A. and Lion Rental S.A.

The details and principal assumptions of the actuarial study as at 31 December 2018 and 2017 are provided below:

	GROUP		COMPANY	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Present value of liability as at 31 December	872.905,15	540.854,99	465.050,25	435.327,72
Net balance sheet liability as at 31 December	**872.905,15**	**540.854,99**	**465.050,25**	**435.327,72**
Income statement:				
Cost of current service	31.753,74	24.603,83	28.005,38	21.483,16
Interest costs	11.051,35	9.803,55	8.942,33	8.001,90
Cost of prior service losses/(profit) cutbacks and settlements	27.208,62	9.757,40	7.157,36	9.757,40
Total cost for entry in the income statement	**70.013,71**	**44.164,78**	**44.105,06**	**39.242,46**
Changes to present value of liability				
Present value of liability at beginning of year	540.854,99	751,275.63	435.327,72	650.254,30
Acquisition of subsidiary	305.194,60			
Cost of current service	31.753,74	24.603,83	28.005,38	21.483,16
Interest costs	11.051,35	9.803,55	8.942,33	8.001,90
Benefits paid during the current year	(37.825,00)	(261.000,00)	(8.525,00)	(261.000,00)
Actuarial loss/(gain) on liability	(5.333,15)	6.414,58	(5.857,53)	6.830,96
Prior Service Cost	27.208,62	9.757,40	7.157,36	9.757,40
Present value of liability at year end	**872.905,15**	**540.854,99**	**465.050,25**	**435.327,72**
Basic Assumptions:				
Discount rate	1,88%	1,93%	1,88%	1,93%
Rate of compensation increase	1,00%	1,00%	1,00%	1,00%
Average expected working life	21,10	20,90	20,90	21,14

The added cost of extra benefits refers to benefits paid to employees who were made redundant. Most of these benefits were not expected within the terms of this program and were therefore treated as an added retirement charge in the income statement.

Employers contribution to Defined Benefits Programs

The Group of Companies contributions to state social security funds for the period ending on 31 December 2018 and 2017 amounted to € 834.448,98 and € 751.111,87 respectively and are included in the payroll cost in the accompanying income statements.

The parent Company's contributions to state social security funds for the period ending on 31 December 2018 and 2017 amounted to € 625.981,10 and € 593.607,17, respectively and are included in the payroll cost in the accompanying income statement.

30. TRADE PAYABLES

Trade payables in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Suppliers	10.051.584,21	5.647.366,63	5.327.854,36	5.594.922,54
Notes payable	1.838.813,65	-	-	-
Post-dated cheques payable	21.904,80	-	-	-
Client advances	384.041,50	988.265,11	267.813,60	903.272,19
	12.296.344,16	**6.635.631,74**	**5.595.667,96**	**6.498.194,73**

31. LOANS

The loans presented in the attached financial statements are analyzed as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Long-term bank loans				
Long-term bonded loan	18.000.000,00	-	-	-
Short term bank loans				
Short term bank loans	19.650.000,00	6.450.000,00	19.650.000,00	6.450.000,00
Lines of credit	912.487,94	14.462,63	912.400,43	14.462,63
Total Short-term bank loans	**20.562.487,94**	**6.464.462,63**	**20.562.400,43**	**6.464.462,63**
Total loans	**38.562.487,94**	**6.464.462,63**	**20.562.400,43**	**6.464.462,63**

On 31 December 2018 and 2017, Motodynamics S.A. and its subsidiaries had concluded short-term loans and joint accounts, with the purpose of covering needs in working capital. The average borrowing costs (variable interest rates) for the Group and the Company were 6% in 2018 and 6,8% in 2017. The average balance of borrowings for the Group and the Company was € 7.054.323 in 2018 and € 6.456.373 in 2017.

It is noted that no liens on assets of the Company or the Group were created for granting such short-term loans. Pursuant to the decision of the Board of Directors as of 6 December 2011, MOTODYNAMICS SA has deposited the amount of € 500.000 with a bank as corporate security for its 100% subsidiary MOTODIKTYO SA. The fair value of the loans is the value presented in the books on 31 December 2017, given that short-term loans are working capital which are continuously renewed. All loans are denominated in euros.

On 30 November 2018, within the context of the agreement for the acquisition of Lion Rental S.A., the lending banks agreed to reduce the borrowings of Lion Rental S.A. to € 18.000.000, which will be refinanced by the creditor banks via a syndicated ordinary collateralised bond loan of the same amount, with a ten-year term, which will be issued by Lion Rental S.A. in accordance with the provisions of Law 3156/2003 and Law 4548/2018, of a type and content acceptable to the lending banks, and in accordance with the basic terms and conditions set forth in the restructuring agreement.

The borrowing limit available and the unused amount are as follows:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Credit lines available	52.400.000,00	12.700.000,00	23.900.000,00	12.200.000,00
Unused amount	(13.837.512,06)	(6.235.537,37)	(3.337.599,57)	(5.735.537,37)
Used amount	**38.562.487,94**	**6.464.462,63**	**20.562.400,43**	**6.464.462,63**

32. OTHER SHORT-TERM LIABILITIES

	GROUP		COMPANY	
	31 December 2018	**31 December 2017**	**31 December 2018**	**31 December 2017**
Taxes and duties payable	751.817,18	589.020,66	545.955,74	472.475,37
Social security organisations	348.821,99	194.477,56	158.847,85	158.843,93
Board of Directors' Fees	700.000,00	700.000,00	700.000,00	700.000,00
Accrued period expenses	638.417,64	78.962,24	135.169,10	73.102,78
Sundry creditors	546.013,50	75.001,73	169.992,12	75.001,73
Other	461.347,20	383.158,92	404.492,81	320.369,22
Total	**3.446.417,51**	**2.020.621,11**	**2.115.457,62**	**1.799.793,03**

33. FINANCIAL RISK MANAGEMENT

(a) Credit Risk Concentration: There is no significant concentration of credit risk with any single counterparty. The maximum exposure to credit risk is represented by the carrying amount of each asset. Motodynamics and its subsidiaries have settled criteria for customers who wish to trade on credit terms. These criteria are mainly based on client's activity "size" with parallel evaluation of client relevant economical information. The Group and Parent company cover their credit risk with securities (mortgage etc.) or bank letters of guarantee and up to the amount which is considered as necessary.

The Group is exposed to credit risk coming mainly from the potential failure to collect customer balances.

The maturity of trade receivables is broken down as follows:

GROUP

	Overdue and not impaired				Not yet due and not impaired	Total
	Up to 30 days	**31 to 90 days**	**91 to 180 days**	**Over 180 days**		
Maturity of Trade Receivables						
2018	439.585,47	1.425.665,65	619.584,43	1.113.491,96	4.505.158,22	**8.103.485,74**
2017	362.944,17	130.156,04	73.582,95	488.931,96	1.703.926,55	**2.759.541,67**

PARENT COMPANY

	Overdue and not impaired				Not yet due and not impaired	Total
	Up to 30 days	**31 to 90 days**	**91 to 180 days**	**Over 180 days**		
Maturity of Trade Receivables						
2018	439.585,47	131.159,25	49.607,86	316.525,97	1.797.897,84	**2.734.776,39**
2017	362.944,17	130.156,04	73.582,95	488.941,96	1.331.003,44	**2.386.628,56**

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Fair value: The amounts shown in the balance sheets for cash and cash equivalents, receivables, and current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

(c) Foreign Exchange Risk: The majority of transactions and balances are in euros. As a result, the management currently estimates that there are no significant risks arising from exchange rate fluctuations.

(d) Interest Rate Risk: On 31 December 2018, the total borrowings of the Group stood at € 18.000.000,00 in long-term loans and € 20.562.487,94 in short-term loans. Of this amount, the sum of € 19.650.000 represented interbank loans with 3-month maturity dates, where the rate was fixed and unchanged for the respective maturity dates, and the amounts of € 912.487,94 for the Group and € 912.400,43 for the Company pertain to bank overdrafts with floating interest rates. It is noted that Group cash and cash equivalents as of 31 December 2018 stood at € 15.144.739,19.

(e) ***Changes in interest rates:*** The financing of working capital is through bank loans. The Company and the Group do, however, have the capacity to borrow on satisfactory terms and apply hedging techniques that protect against interest rate increases by concluding forward rate agreements (FRAs).
The following table presents the impact on pre-tax profits of a potential change in floating rates (*ceteris paribus*) on current loans as at 31 December 2018. The impact on net equity is small.

Interest rate increase/ decrease (in base units)	Effect on Profits before Taxes (in thousand €)
50	-125,3
75	-187,9
100	-250,5
-50	125,3
-75	187,9
-100	250,5

(f) Liquidity Risk: Prudent liquidity risk management implies sufficient cash balances, the ability to raise capital through a adequate level of committed credit facilities, and the ability to close open market positions. Due to the dynamic nature of the business, management of the Group aims to maintain flexibility in raising capital funds by maintaining adequate cash and open credit lines with overdraft accounts.

The Company's liquidity is monitored by the Group Management on a regular basis.

Below follows a breakdown of maturities of liabilities:

	31 December 2018	**31 December 2017**
LONG – TERM LIABILITIES		
Other non-current liabilities		
1 - 2 years	485.528,65	3.700,00
2 - 5 years	3.500.000,00	-
More than 5 years	14.500.000,00	-
Total	**18.485.528,65**	**3.700,00**
SHORT – TERM LIABILITIES		
Total short-term liabilities		
0 - 180 days	35.607.542,87	14.423.488,22
181 - 360 days	700.000,00	700.000,00
Total	**36.307.542,87**	**15.123.488,22**

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Total short-term liabilities analyzes as follows:

Commercial liabilities		
0 - 90 days	12.296.344,16	6.635.631,74
91 - 180 days	-	-
Total	**12.296.344,16**	**6.635.631,74**
Short-term loans		
0 - 180 days	20.562.487,94	6.464.462,63
181 - 360 days	-	-
Total	**20.562.487,94**	**6.464.462,63**
Other payables		
0 - 180 days	2.748.710,77	1.323.393,85
181 - 360 days	700.000,00	700.000,00
Total	**3.448.710,77**	**2.023.393,85**

(g) Capital Risk Management: During the capital management the Group aims to maintain the ability of moving on its business in order to reassure the returns for its shareholders and to maintain an optimum capital structure. The Group manages capital structure and proceeds in necessary reactions according to its needs and to occasional economic evolutions. Capital sufficiency is being monitored with appropriate financial indexes. The table below analyzes index movements for annual periods 2018 and 2017:

	GROUP		COMPANY	
	31 December 2018	**31 December 2017 RESTATED**	**31 December 2018**	**31 December 2017 RESTATED**
Net average return on equity	1,48	12,49	8,43	7,38
Debt / Equity	5,06	1,82	2,64	1,44

The Net average return on equity index is equal to the net profits for the year divided by the average Equity of the last two (2) years.

34. COMMITMENTS AND CONTINGENCIES

In the past, and up until 31 December 2018, the Group and the Company had concluded various leasing agreements, mainly related to the lease of buildings, which expire on various dates up to 2027. The rental costs included in the attached income statement of the period ended on 31 December 2018, amount to € 1.893.889,02 for the Group and to € 694.862,50 for the Company, while the respective amounts for the previous year were € 871.708,78 for the Group and € 688.929,84 for the Company.

The only contingent future liability arises from possible early voluntary withdrawal and termination of these lease agreements, which according to applicable civil law, requires payment of one rental payment at the time of withdrawal.

The company has paid a deposit of €1.480.000,00 as guarantee and advance payment of rents to secure future rent of the building. Already, under the agreement of 3 August 2012 amending the rental contract, the sum of €980.000 related to advance payment of rent and guarantees, will be returned in 16 six-month installments of €61.250 each (€ 122.500 annually) starting on 1 March 2013, or will otherwise be offset against rent payable. The amount relating to annual refund of the advance payment of rent on 31 December 2018 stands at € 122.500,00 and appears under Other Receivables, while the balance of guarantees and deposits appears under other long-term assets of the company.

The company has granted a loan of € 1.900.000,00 for working capital to a vehicle distribution representative. It is an interest-bearing loan, and the interest rate is set at a percentage equal to the six-month Euribor rate plus 6% per annum. The Group and the parent company reevaluated the impairment amount and time period for the loan, resulting in the recognition of impairment losses of € 1.293 thousand.The loan balance as at 31 December 2018 stood at the amount of € 278.000,00.

Other non-current assets are broken down as follows:

	GROUP		COMPANY	
	31 December 2018	31 December 2017 RESTATED	31 December 2018	31 December 2017 RESTATED
Guarantee for future building lease charges	622.500,00	745.000,00	622.500,00	745.000,00
Granted Loan	278.000,00	407.000,00	278.000,00	407.000,00
Other guarantees granted	1.359.838,01	153.671,13	111.688,84	111.318,08
Other non-current assets	**2.260.338,01**	**1.305.671,13**	**1.012.188,84**	**1.263.318,08**

35. OPERATING LEASES

Operating leases are broken down as follows:

	GROUP	COMPANY
Up to 1 year	1.304.425,07	634.980,64
1 to 5 years	3.356.889,86	1.942.131,86
> 5 years	1.759.957,00	1.069.280,00
Total operating leases	**6.421.271,93**	**3.646.392,50**

36. RESTATEMENT OF COMPARATIVE AMOUNTS

The Group and the parent company proceeded with reevaluation of the amount and time period of impairment for trade and other long-term receivables for which impairment provisions of € 2.030 thousand had already been calculated, as a cumulative impact of IFRS 9 as at 1 January 2018 disclosed accordingly in the interim financial statements for the first six month period of 2018. The aforementioned reevaluation of the amount and time period of impairment for receivables as above resulted in the reversal of the above provisions under IFRS 9 and the recognition of impairment losses of € 1.713 thousand in equity as at 31 December 2016 and € 286 thousand in the results for the year 2017. The Group and the parent company have evaluated the matter in accordance with the provisions of IAS 8. The effect of the abovementioned adjustments on the financial statements of the Group and the parent company is shown in the tables below.

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Assets	Company			Assets	Group		
Non-current assets	**31/12/2016 Published**	**Adjustments**	**31/12/2016 Restated**	**Non-current assets**	**31/12/2016 Published**	**Adjustments**	**31/12/2016 Restated**
Owner-occupied tangible assets	4 186 511.93		4 186 511.93	Owner-occupied tangible assets	4 537 091.66		4 537 091.66
Intangible assets	723 871.06		723 871.06	Intangible assets	726 496.33		726 496.33
Investments in subsidiaries	3 141 432.20		3 141 432.20	Investments in subsidiaries			
Other long-term receivables	2 710 507.92	-1 293 171.01	1 417 336.91	Other long-term receivables	2 753 365.98	-1 293 171.01	1 460 194.97
Deferred tax assets	760 040.36	497 352.71	1 257 393.07	Deferred tax assets	1 020 556.35	497 352.71	1 517 909.06
Total non-current assets	**11 522 363.47**	**-795 818.30**	**10 726 545.17**	**Total non-current assets**	**9 037 510.32**	**-795 818.30**	**8 241 692.02**
Current assets				**Current assets**			
Inventories	11 838 052.88		11 838 052.88	Inventories	13 496 018.55		13 496 018.55
Trade receivables	2 489 995.08	-421 838.32	2 068 156.76	Trade receivables	2 654 731.73	-421 838.32	2 232 893.41
Receivables from affiliates	1 442 567.59		1 442 567.59				
Other receivables	469 786.64		469 786.64	Other receivables	505 758.22		505 758.22
Cash and cash equivalents	41 024.79		41 024.79	Cash and cash equivalents	211 935.34		211 935.34
Total current assets	**16 281 426.98**	**-421 838.32**	**15 859 588.66**	**Total current assets**	**16 868 443.84**	**-421 838.32**	**16 446 605.52**
TOTAL ASSETS	**27 803 790.45**	**-1 217 656.62**	**26 586 133.83**	**TOTAL ASSETS**	**25 905 954.16**	**-1 217 656.62**	**24 688 297.54**
Liabilities				**Liabilities**			
Equity				**Equity and reserves attributable to shareholders of the parent company**			
Share capital	6 903 000.00		6 903 000.00	Share capital	6 903 000.00		6 903 000.00
Share premium	5 756 695.00		5 756 695.00	Share premium	5 756 695.00		5 756 695.00
Foreign exchange differences				Foreign exchange differences	-263 249.05		-263 249.05
Reserves	1 191 029.44		1 191 029.44	Reserves	1 195 487.53		1 195 487.53
Results carried forward	-2 523 838.51	-1 217 656.62	-3 741 495.13	Results carried forward	-4 518 473.64	-1 217 656.62	-5 736 130.26
Total	**11 326 885.93**	**-1 217 656.62**	**10 109 229.31**	**Total**	**9 073 459.84**	**-1 217 656.62**	**7 855 803.22**
Minority interest				Minority interest	0.00	0.00	0.00
Total equity	**11 326 885.93**	**-1 217 656.62**	**10 109 229.31**	**Total equity**	**9 073 459.84**	**-1 217 656.62**	**7 855 803.22**
Long-term Liabilities				**Long-term Liabilities**			
Post-employment benefits	650 254.30		650 254.30	Post-employment benefits	751 275.63		751 275.63
Other long-term liabilities	1 500.00		1 500.00	Other long-term liabilities			
Total long-term liabilities	**651 754.30**		**651 754.30**	**Total long-term liabilities**	**751 275.63**		**751 275.63**
Current liabilities				**Current liabilities**			
Trade and other liabilities	8 253 173.07		8 253 173.07	Trade and other liabilities	8 374 904.13		8 374 904.13
Current tax liabilities				Current tax liabilities			
Short-term loan liabilities	6 216 907.61		6 216 907.61	Short-term loan liabilities	6 218 588.18		6 218 588.18
Other short-term liabilities	1 355 069.54		1 355 069.54	Other short-term liabilities	1 487 726.38		1 487 726.38
Total short-term liabilities	**15 825 150.22**		**15 825 150.22**	**Total short-term liabilities**	**16 081 218.69**		**16 081 218.69**
Total liabilities	16 476 904.52		16 476 904.52	**Total liabilities**	16 832 494.32		16 832 494.32
TOTAL EQUITY AND LIABILITIES	**27 803 790.45**	**-1 217 656.62**	**26 586 133.83**	**TOTAL EQUITY AND LIABILITIES**	**25 905 954.16**	**-1 217 656.62**	**24 688 297.54**

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Assets	Company			Assets	Group		
	31/12/2017 Published	Adjustments	31/12/2017 Restated		31/12/2017 Published	Adjustments	31/12/2017 Restated
Non-current assets				**Non-current assets**			
Owner-occupied tangible assets	4 087 343.17		4 087 343.17	Owner-occupied tangible assets	4 547 184.12		4 547 184.12
Intangible assets	603 856.62		603 856.62	Intangible assets	608 230.89		608 230.89
Investments in subsidiaries	3 141 432.20		3 141 432.20	Investments in subsidiaries			
Other long-term receivables	2 556 489.09	-1 293 171.01	1 263 318.08	Other long-term receivables	2 598 842.14	-1 293 171.01	1 305 671.13
Deferred tax assets	741 577.98	580 633.90	1 322 211.88	Deferred tax assets	1 021 860.69	580 633.90	1 602 494.59
Total non-current assets	**11 130 699.06**	**-712 537.11**	**10 418 161.95**	**Total non-current assets**	**8 776 117.84**	**-712 537.11**	**8 063 580.73**
Current assets				**Current assets**			
Inventories	10 609 680.41		10 609 680.41	Inventories	12 649 766.59		12 649 766.59
Trade receivables	3 095 643.40	-709 014.84	2 386 628.56	Trade receivables	3 468 556.51	-709 014.84	2 759 541.67
Receivables from affiliates	1 867 045.87		1 867 045.87	Receivables from affiliates			
Other receivables	466 732.77		466 732.77	Other receivables	503 835.90		503 835.90
Cash and cash equivalents	20 834.91		20 834.91	Cash and cash equivalents	285 641.80		285 641.80
Total current assets	**16 059 937.36**	**-709 014.84**	**15 350 922.52**	**Total current assets**	**16 907 800.80**	**-709 014.84**	**16 198 785.96**
TOTAL ASSETS	**27 190 636.42**	**-1 421 551.95**	**25 769 084.47**	**TOTAL ASSETS**	**25 683 918.64**	**-1 421 551.95**	**24 262 366.69**
Liabilities				**Liabilities**			
				Equity and reserves attributable to shareholders of the parent			
Equity				**company**			
Share capital	4 680 000.00		4 680 000.00	Share capital	4 680 000.00		4 680 000.00
Share premium	5 756 695.00		5 756 695.00	Share premium	5 756 695.00		5 756 695.00
Foreign exchange differences				Foreign exchange differences	-297 754.68		-297 754.68
Reserves	1 204 705.01	-13 675.57	1 191 029.44	Reserves	1 225 125.66	-13 675.57	1 211 450.09
Results carried forward	346 258.30	-1 407 876.38	-1 061 618.08	Results carried forward	-1 348 190.55	-1 407 876.38	-2 756 066.93
Total	**11 987 658.31**	**-1 421 551.95**	**10 566 106.36**	**Total**	**10 015 875.43**	**-1 421 551.95**	**8 594 323.48**
Minority interest				Minority interest	0.00		0.00
Total equity				**Total equity**	**10 015 875.43**	**-1 421 551.95**	**8 594 323.48**
Long-term liabilities				**Long-term Liabilities**			
Post-employment benefits	435 327.72		435 327.72	Post-employment benefits	540 854.99		540 854.99
Other long-term liabilities	5 200.00		5 200.00	Other long-term liabilities	3 700.00		3 700.00
Total long-term liabilities	**440 527.72**		**440 527.72**	**Total long-term liabilities**	**544 554.99**		**544 554.99**
Short-term liabilities				**Current liabilities**			
Trade and other liabilities	6 498 194.73		6 498 194.73	Trade and other liabilities	6 635 631.74		6 635 631.74
Current tax liabilities				Current tax liabilities	2 772.74		2 772.74
Short-term loan liabilities	6 464 462.63		6 464 462.63	Short-term loan liabilities	6 464 462.63		6 464 462.63
Other short-term liabilities	1 799 793.03		1 799 793.03	Other short-term liabilities	2 020 621.11		2 020 621.11
Total short-term liabilities	**14 762 450.39**		**14 762 450.39**	**Total short-term liabilities**	**15 123 488.22**		**15 123 488.22**
Total liabilities	15 202 978.11		15 202 978.11	**Total liabilities**	15 668 043.21		15 668 043.21
TOTAL EQUITY AND LIABILITIES	**27 190 636.42**	**-1 421 551.95**	**25 769 084.47**	**TOTAL EQUITY AND LIABILITIES**	**25 683 918.64**	**-1 421 551.95**	**24 262 366.69**

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	Company				Group		
INCOME STATEMENT	**31/12/2017 Published**	**Προσαρμογές**	**31/12/2017 Restated**	**INCOME STATEMENT**	**31/12/2017 Published**	**Adjustments**	**31/12/2017 Restated**
Turnover	52 209 745.13		52 209 745.13	Turnover	54 501 456.37		54 501 456.37
Cost of goods sold	-43 266 228.71		-43 266 228.71	Cost of goods sold	-43 657 042.09		-43 657 042.09
Gross profit	**8 943 516.42**		**8 943 516.42**	**Gross profit**	**10 844 414.28**		**10 844 414.28**
Other operating income	334 927.83		334 927.83	Other operating income	234 739.68		234 739.68
Administrative expenses	-1 886 253.32		-1 886 253.32	Administrative expenses	-1 893 183.32		-1 893 183.32
Selling expenses	-5 847 946.84	-182 770.68	-6 030 717.52	Selling expenses	-7 270 730.06	-182 770.68	-7 453 500.74
Other operating expenses	-123 577.47		-123 577.47	Other operating expenses	-137 168.29		-137 168.29
Operating results	**1 420 666.62**	**-182 770.68**	**1 237 895.94**	**Operating results**	**1 778 072.29**	**-182 770.68**	**1 595 301.61**
Financial expenses	-491 659.01		-491 659.01	Financial expenses	-529 616.89		-529 616.89
Financial income	108 058.11		108 058.11	Financial income	116 129.68		116 129.68
Other financial results	0.00	-104 405.84	-104 405.84	Other financial results	0.00	-104 405.84	-104 405.84
Profit before tax	**1 037 065.72**	**-287 176.52**	**749 889.20**	**Profit (loss) before tax**	**1 364 585.08**	**-287 176.52**	**1 077 408.56**
Current tax				Current tax	0.00		
Deferred tax	-18 462.38	83 281.19	64 818.81	Deferred tax	-30 249.28	83 281.19	53 031.91
Profit after tax	**1 018 603.34**	**-203 895.33**	**814 708.01**	**Profit after tax**	**1 334 335.80**	**-203 895.33**	**1 130 440.47**
Attributable to:				**Attributable to:**			
Shareholders of the parent company				Shareholders of the parent company			
Minority interest				Minority interest			
Profit after tax				**Profit after tax**			
Other comprehensive income				**Other comprehensive income**			
Net results for the year	**1 018 603.34**	**-203 895.33**	**814 708.01**	Net results for the year	**1 334 335.80**	**-203 895.33**	**1 130 440.47**
Items not subsequently classified in the income statement				**Items not subsequently classified in the income statement**			
Actuarial profit/loss	-6 830.96		-6 830.96	Actuarial profit/loss	-6 414.58		-6 414.58
Deferred tax from actuarial profit/loss				Deferred tax from actuarial profit/loss			
Items potentially classified in the income statement subsequently				**Items potentially classified in the income statement subsequently**			
Currency translation differences				Currency translation differences	-34 505.63		-34 505.63
Other comprehensive income for the year after tax	**-6 830.96**		**-6 830.96**	**Other comprehensive income for the year after tax**	**-40 920.21**		**-40 920.21**
Aggregate total income	**1 011 772.38**	**-203 895.33**	**807 877.05**	**Aggregate total income**	**1 293 415.59**	**-203 895.33**	**1 089 520.26**
				Attributable to:			
				Shareholders of the parent company	1 293 415.59	-203 895.33	1 089 520.26
				Minority interest	-	-	-
				Basic earnings per share	0.1105	-0.0174	0.0931

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RESTATED STATEMENT OF CHANGES IN EQUITY GROUP

	Share capital	Share premium	Reserves	Total Consolidated exchange differences	Reserves for allocation of free shares to directors	Purchase of own shares	Results carried forward	Total	Minority interests	Total Equity
Total Equity at the end of the period 31 December 2016 Published	**6 903 000.00**	**5 756 695.00**	**1 034 760.10**	**-263 249.05**	**160 727.43**	**0.00**	**-4 518 473.64**	**9 073 459.84**	**0.00**	**9 073 459.84**
Adjustments Corrections							**-1 217 656.62**	**-1 217 656.62**	**0.00**	**-1 217 656.62**
Total Equity at the beginning of the period 1 January 2017 Restated	**6 903 000.00**	**5 756 695.00**	**1 034 760.10**	**-263 249.05**	**160 727.43**	**0.00**	**-5 736 130.26**	**7 855 803.22**	**0.00**	**7 855 803.22**
Result for the year (1/1 – 31/12/2017)			15 962.56				1 114 477.91	1 130 440.47		**1 130 440.47**
Other comprehensive income/(losses)				-34 505.63			-6 414.58	-40 920.21		**-40 920.21**
Total comprehensive income/(losses)								0.00		**0.00**
Share Capital reduction	-351 000.00							-351 000.00		**-351 000.00**
Share Capital reduction by offset of losses	-1 872 000.00						1 872 000.00	0.00		**0.00**
Reserves for allocation of free shares to directors								0.00		**0.00**
Purchase/Cancellation of own shares								0.00		**0.00**
Total Equity at the end of the period 31 December 2017 Restated	**4 680 000.00**	**5 756 695.00**	**1 050 722.66**	**-297 754.68**	**160 727.43**	**0.00**	**-2 756 066.93**	**8 594 323.48**	**0.00**	**8 594 323.48**

RESTATED STATEMENT OF CHANGES IN EQUITY COMPANY

	Share capital	Share premium	Reserves	Reserves for allocation of free shares to directors	Purchase of own shares	Results carried forward	Total Equity
Total Equity at the end of the period 31 December 2016 Published	**6 903 000.00**	**5 756 695.00**	**1 030 302.01**	**160 727.43**	**0.00**	**-2 523 838.51**	**11 326 885.93**
Adjustments Corrections						**-1 217 656.62**	**-1 217 656.62**
Total Equity at the beginning of the period 1 January 2017 Restated	**6 903 000.00**	**5 756 695.00**	**1 030 302.01**	**160 727.43**	**0.00**	**-3 741 495.13**	**10 109 229.31**
Result for the year (1/1 – 31/12/2017)						814 708.10	**814 708.10**
Other comprehensive income/(losses)						-6 830.96	**-6 830.96**
Total comprehensive income/(losses)	0.00	0.00	0.00	0.00	0.00	807 877.14	**807 877.14**
Share capital increase							**0.00**
Share capital decrease	-351 000.00						**-351 000.00**
Reserves for allocation of free shares to directors							**0.00**
Share Capital reduction by offset of losses	-1 872 000.00					1 872 000.00	**0.00**
Total Equity at the end of the period 31 December 2017 Restated	**4 680 000.00**	**5 756 695.00**	**1 030 302.01**	**160 727.43**	**0.00**	**-1 061 617.99**	**10 566 106.45**

37. OPERATING SEGMENT REPORTING

Due to acquisition of new business activity, the Group has revised its business segments as follows: wholesale and retail markets for motorised two-wheelers and marine products (outboards, inflatable craft etc.), the car market, as well as car hire, which it treats as operating segments and for which it discloses the required information. Uniform accounting principles are followed for each of these business segments. Due to the fact that sales and assets outside Greece do not represent a significant proportion of the Group's total, the respective analysis is not reported per geographical area. (Certain items relating to operating segments of the previous year have been reclassified for the purposes of comparability with the closing year)

(amounts in euros)	YAMAHA		RETAIL		CARS		CAR LEASES		Total	
GROUP	**31 December 2018**	**31 December 2017**	**31 December 2018**	**31 December 2017**	**31 December 2018**	**31 December 2017**	**31 December 2018**	**31 December 2017**	**31 December 2018**	**31 December 2017**
Sales	31 279 081.11	30 805 005.33	8 144 765.85	8 481 575.73	17 738 609.07	15 214 875.31	2 318 630.85	-	59 481 086.88	54 501 456.37
Cost of sales	23 847 291.10	23 909 872.94	6 900 960.49	7 238 835.78	14 775 792.30	12 508 395.90	3 082 428.75	-	48 606 472.64	43 657 104.62
	7 431 790.01	**6 895 132.39**	**1 243 805.36**	**1 242 739.95**	**2 962 816.77**	**2 706 479.41**	**-763 797.90**	**-**	**10 874 614.24**	**10 844 351.75**
Other income									324 390.53	234 739.68
Administrative expenses									-2 028 372.82	-1 893 183.32
Sales and distribution expenses									-8 295 759.73	-7 557 906.58
Other expenses									-128 194.76	-137 168.29
Finance income									9 110.16	116 129.68
Finance expenses									-570 190.82	-529 616.89
Other financial results									-	-104 405.84
Profit/(loss) before taxes									**185 596.80**	**1 077 346.03**
Income tax									-221 080.73	53 031.91
Net profit / loss									**-35 483.93**	**1 130 377.94**
Depreciation									1 185 563.19	1 010 431.69
Inventories	8 271 173.10	9 423 077.05	733 914.12	936 277.73	2 355 870.00	2 290 411.81			**11 360 957.22**	**12 649 766.59**
Other assets									55 314 348.11	11 612 600.10
									66 675 305.33	**24 262 366.69**
Commercial liabilities	5 422 551.71	5 697 656.74	117 183.62	79 747.91	266 308.17	858 227.09	6 490 300.66		**12 296 344.16**	**6 635 631.74**
Other payables									43 369 632.51	9 032 411.47
Equity									11 009 328.66	8 594 323.48
									66 675 305.33	**24 262 366.69**
Capital expenditure									2 783 380.44	1 500 438.34

38. EVENTS AFTER THE DATE OF THE STATEMENT OF FINANCIAL POSITION

There are no later events which could have a significant effect on the Financial Statements of the Company or the Group.

The following persons are responsible for the preparation of the Company and Group Annual Financial Statements for the period ended 31 December 2018 as approved by the Board of Directors on 5 April 2019:

Aspropyrgos, 05 April 2019

The Chairman of the Board of Directors	The CEO	The Financial Director
Paris O. Kyriakopoulos	Sotirios D. Hatzikos	Dimitrios Bozas
ID Card No: AK 638168	ID Card No: AK 026457	License No. 0048740 Class A

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TABLE OF REFERENCES TO THE INFORMATION OF ARTICLE 10 OF LAW 3401/2005

Date	Announcement	Email address	Remarks
Annual Financial Results 2017			
2018	Annual Financial Report of the Company & Group for the year from 1 January to 31 December 2017	http://www.motodynamics.gr/category/annual-financial-statements/	
H1 2018 Financial Results			
2018	Semi-Annual Financial Report of the Company & Group for the period from 1 January to 30 June 2018	http://www.motodynamics.gr/category/periodic-financial-statements/	
Own Share Purchase Announcements			
2018	Own Share Purchase Announcements	http://www.motodynamics.gr/category/oikonomikes-anakoinoseis/	
General Meetings			
19.03.2018	Correction - New Date of General Meeting	http://www.motodynamics.gr/category/genikes-sinelefsis/	
03.05.2018	Notice to Ordinary General Meeting of Shareholders	http://www.motodynamics.gr/category/genikes-sinelefsis/	
03.05.2018	Minority interest	http://www.motodynamics.gr/category/genikes-sinelefsis/	
03.05.2018	Power of Proxy form	http://www.motodynamics.gr/category/genikes-sinelefsis/	
03.05.2018	Total Number of Shares and Voting Rights	http://www.motodynamics.gr/category/genikes-sinelefsis/	
03.05.2018	Draft Statutory General Meeting Decisions on each Agenda Item	http://www.motodynamics.gr/category/genikes-sinelefsis/	
17.05.2018	Draft Decisions of Ordinary General Meeting on Share Capital Decrease	http://www.motodynamics.gr/category/genikes-sinelefsis/	
24.05.2018	Decisions of the Ordinary General Meeting of the Company "MOTODYNAMICS SA" of 24.05.2018	http://www.motodynamics.gr/category/genikes-sinelefsis/	
24.05.2018	Ordinary General Meeting 2018 - Capital Reimbursement	http://www.motodynamics.gr/category/genikes-sinelefsis/	
24.05.2018	Communication of Change in BoD Composition	http://www.motodynamics.gr/category/genikes-sinelefsis/	
30.05.2018	Decisions of the Ordinary General Meeting of the Company "MOTODYNAMICS SA" of 24.5.2018 - Table of Detailed Voting Results	http://www.motodynamics.gr/category/genikes-sinelefsis/	
28.11.2018	Invitation to the Ordinary General Shareholders' Meeting (BoD Report is attached)	http://www.motodynamics.gr/category/genikes-sinelefsis/	
28.11.2018	Minority interest	http://www.motodynamics.gr/category/genikes-sinelefsis/	
28.11.2018	Power of Proxy form	http://www.motodynamics.gr/category/genikes-sinelefsis/	
28.11.2018	Total Number of Shares and Voting Rights	http://www.motodynamics.gr/category/genikes-sinelefsis/	
28.11.2018	Draft Decisions of the Extraordinary General Meeting of 19.12.2018	http://www.motodynamics.gr/category/genikes-sinelefsis/	
13.12.2018	Explanatory Report of MOTODYNAMICS S.A. (A report drawn up by PKF Euroauditing S.A. is attached)	http://www.motodynamics.gr/category/genikes-sinelefsis/	
18.12.2018	An EXTRAORDINARY GENERAL MEETING OF MOTODYNAMICS is to be held tomorrow, Wednesday 19 December, at 11:00 a.m., at AEGLI ZAPPIOU, PRIVE Hall, 1st floor.	http://www.motodynamics.gr/category/genikes-sinelefsis/	
19.12.2018	Extraordinary General Meeting Decisions	http://www.motodynamics.gr/category/genikes-sinelefsis/	
19.12.2018	Table of Percentage Rates of Voting Results	http://www.motodynamics.gr/category/genikes-sinelefsis/	

General Communications			
Date	**Announcement**	**Email address**	**Remarks**
26.01.2018	Completion of Tax Audit of Parent Company	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
26.01.2018	Economic Calendar 2018	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
19.03.2018	Correction - New Date of General Meeting	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
29.06.2018	Decrease in the share capital through the reduction of the share value and reimbursement of the capital to the shareholders	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
23.10.2018	Change to the Composition of Remuneration Committee	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
28.11.2018	Invitation to the Ordinary General Shareholders' Meeting (BoD Report is attached)	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
03.12.2018	Announcement concerning the developments in the business activity of MOTODYNAMICS S.A.	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
03.12.2018	Press Release: Motodynamics acquires 80,5% of LION RENTAL	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
13.12.2018	Explanatory Report of MOTODYNAMICS S.A. (A report drawn up by PKF Euroauditing S.A. is attached)	http://www.motodynamics.gr/category/genikes-anakoinwseis/	
18.12.2018	An EXTRAORDINARY GENERAL MEETING OF MOTODYNAMICS is to be held tomorrow, Wednesday 19 December, at 11:00 a.m., at AEGLI ZAPPIOU, PRIVE Hall, 1st floor.	http://www.motodynamics.gr/category/genikes-anakoinwseis/	

Notes: *The announcements of the table of references are also posted on the Athens Exchange website: http://www.athexgroup.gr/el/*

AVAILABILITY OF FINANCIAL STATEMENTS

The annual financial statements, the certificates of the statutory auditors and the reports of the Boards of Directors of the companies incorporated in the Company's consolidated financial statements are posted on the Company's website www.motodynamics.gr where they will be available to investors for a minimum period of five (5) years from the date of preparation and publication.