ANNUAL FINANCIAL REPORT
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2018

TABLE OF CONTENTS:

APRIL 2019

DECLARATION OF THE REPRESENTATIVES OF THE BOARD OF DIRECTORS OF "CORAL PETROLEUM AND CHEMICAL PRODUCTS COMPANY SA"

Pursuant to the provisions of article 4 paragraph 2 item c of Law 3556/2007 we hereby declare that to the best of our knowledge:

A. The single and consolidated financial statements of "CORAL PETROLEUM AND CHEMICAL PRODUCTS COMPANY S.A." (the Company) for the year ended December 31, 2018, which have been repared in accordance with the applicable accounting standards, truly present the assets, the liabilities, the shareholders' equity and the statement of comprehensive income of the Company and the companies included in the consolidated financial statements taken as a total, and

B. The Board of Directors' annual report truly presents the course, the performance and the position of the Company and the companies included in the consolidated financial statements taken as a total, including the description of the most important risks and uncertainties they are facing.

Maroussi, April 17th, 2019

BoD CHAIRMAN	GENERAL MANAGER	BoD VICE-CHAIRMAN
JOHN V. VARDINOYANNIS ID No AH 567603/2009	GEORGIOS N. HATZOPOULOS ID No. AA 075307/2005	GEORGIOS K. THOMAIDIS ID No Σ 040106/1992

Coral Group of Companies

Management Report for the year ended on 31 December 2018

Coral

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1. Group's operation report

The financial data of the Group for the year 2018 compared to the corresponding data of the year 2017 are presented hereunder:

Amounts in th. €	**31/12/2018**	**31/12/2017**
Revenue	2.181.726	1.938.818
Cost of sales	(2.000.471)	(1.773.973)
Gross profit	**181.255**	**164.845**
Distribution expenses	(141.873)	(134.106)
Administration expenses	(12.929)	(11.909)
Other operating income	11.949	11.132
Other gain/ (losses)	(192)	93
Operating results	**38.210**	**30.055**
Financial expenses	(13.033)	(13.569)
Income from investments	364	466
Gain from subsidiary acquisition	-	1.837
Profit from associates	4.617	3.729
Profit/(Losses) before tax	**30.158**	**22.518**
Income tax	(9.668)	(5.962)
Net profit /(losses) for the year after tax	**20.490**	**16.556**
Attributable to the shareholders of the Company	**20.689**	**16.238**
Non-controlling interests	**(199)**	**318**
Profit /(losses) per share in €	**7,58**	**5,95**
Other comprehensive income		
Items that they will not be classified in the future in the income statement		
Actuarial gain /(losses) from pension schemes	56	(953)
Other comprehensive income	(81)	(10)
Income tax	41	277
Total comprehensive income	**20.506**	**15.870**

Respectively the financial data of the Company for the fiscal year 2018 compared to that of the fiscal year 2017 are presented hereunder :

Amounts in th. €	**31/12/2018**	**31/12/2017**
Revenue	1.955.441	1.766.231
Cost of sales	(1.865.433)	(1.682.013)
Gross profit	**90.008**	**84.218**
Distribution expenses	(85.450)	(81.983)
Administration expenses	(10.397)	(9.722)
Other operating income	31.171	28.237
Other gain/ (losses)	(79)	12
Operating results	**25.253**	**20.762**
Financial expenses	(7.450)	(9.333)
Gain/ (losses) from sale of subsidiary's share	-	(2.365)
Income from investments	12.507	4.257
Profit/(Losses) before tax	**30.310**	**13.320**
Income tax	(6.264)	(3.337)
Net profit /(losses) for the year after tax	**24.046**	**9.983**
Profit /(losses) per share in €	**8,81**	**3,66**
Other comprehensive income		
Items that they will not be classified in the future in the income statement		
Actuarial gain /(losses) from pension schemes	56	(953)
Income tax	41	276
Total comprehensive income	**24.143**	**9.306**

In the aforementioned data there are noticed the following:

1.1 Revenue

The gross turnover of the Group increased in 2018 by € 243 million, showing a percentage change of 13% compared to the previous year, as shown in the table below:

Amounts in th. €	**31/12/2018**	**31/12/2017**
Merchandise	684.293	573.588
Products	1.486.417	1.355.705
Other	11.016	9.525
Total	**2.181.726**	**1.938.818**

The analysis of the sales per geographical segments of operation and by categories of sales for the Group is as follows:

Amounts in th. €			
Geographical segment		**31/12/2018**	**31/12/2017**
Abroad	Fuel	104.065	93.076
Abroad	Lubricants	9	9
Abroad	Chemicals	927	1.306
Abroad	Natural gas/LPG	154	7
Abroad	Other	851	189
	Total	106.006	94.588
Greece	Fuel	1.995.822	1.772.441
Greece	Lubricants	5.630	6.969
Greece	Chemicals	30.225	25.669
Greece	Natural gas/LPG	28.972	26.817
Greece	Other	15.071	12.335
	Total	2.075.720	1.844.231
	General Total	**2.181.726**	**1.938.818**

The total quantity traded by the Group during the year ended 31/12/2018 and during the comparative period is analyzed in the following table:

Quantity in MT	**31/12/2018**	**31/12/2017**
Fuel	1.885.824	1.659.941
Lubricants	2.415	3.521
Chemicals	30.524	28.266
Natural gas/LPG	44.472	46.491
Other	1.981	5.476
Σύνολο	**1.965.216**	**1.743.694**

The amount of fuel traded by the Group rose by approximately 12.7%.

The corresponding analysis of the Company's sales in 2018 is presented below:

Amounts in th. €	**31/12/2018**	**31/12/2017**
Merchandise	469.649	411.071
Products	1.486.416	1.355.705
Other	(624)	(545)
Total	**1.955.441**	**1.766.231**

The Company's revenue for the year 2018 stood at € 1,955 million from € 1,766 million in the year 2017, showing an increase of 11%.

The analysis of sales by geographical segment of activity and by sales category of the Company is as follows:

Amounts in th. € **Geographical segment**		**31/12/2018**	**31/12/2017**
Abroad	Fuel	34.767	26.462
Abroad	Lubricants	9	9
Abroad	Chemicals	927	1.306
Abroad	Natural gas/LPG	-	-
Abroad	Other	178	44
	Total	35.881	27.821
Greece	Fuel	1.872.267	1.692.970
Greece	Lubricants	5.630	6.969
Greece	Chemicals	30.225	25.669
Greece	Natural gas/LPG	9.530	9.930
Greece	Other	1.908	2.873
	Total	1.919.560	1.738.410
	General Total	**1.955.441**	**1.766.231**

The total quantity traded by the Company during the year ended 31/12/2018 and during the comparative period is analyzed in the following table:

Quantity in MT	**31/12/2018**	**31/12/2017**
Fuel	1.680.910	1.553.408
Lubricants	2.415	3.521
Chemicals	30.524	28.266
Natural gas/LPG	27.850	31.953
Other	1.981	5.476
Σύνολο	**1.743.680**	**1.622.624**

The quantities of fuel traded by the Company recorded an increase of approximately 7.5%.

1.2 Gross profit margin

The gross profit margin of the Group amounted to € 181,255 thousand or 8.3% of turnover compared to € 164,845 thousand or 8.5% of the turnover for the previous year, showing an increase of 10%.

The gross profit margin of the Company amounted to € 90,008 thousand in the year 2018 compared to € 84,218 thousand in the year 2017, namely decreased by 6.9%.

1.3 Operating expenses

The development of the operating expenses among the years 2018 and 2017 is presented below:

	31/12/2018	**31/12/2017**
Allocation per operation:		
Cost of sales	775	1.714
Distribution expense	141.873	134.106
Administration expenses	12.929	11.909
Total	**155.577**	**147.729**

As it is depicted in the data of the above table, the operating expenses of the Group present an increase equal to € 7,847 thousand or 5.3% approximately.

For better assessment and comparison of the operating expenses for the current and previous year, there are presented in the following table the most important categories of expenses:

	Group		Change	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**Amount**	**%**
Benefits to employees	18.563	17.991	572	3,2%
Depreciation of Property, Plant and Equipment	12.419	11.521	898	7,8%
Depreciation of intangible assets	2.421	2.414	7	0,3%
Expenses of repair and maintenance of tangible assets	1.877	2.563	(686)	-26,8%
Rental fee based on operating leases	20.251	16.289	3.962	24,3%
Warehousing charges	5.566	3.474	2.092	60,2%
Provision for bad debt	301	1.286	(985)	-76,6%
Transportation and travel expenses	20.239	24.408	(4.169)	-17,1%
Fees for sites' managers	31.256	28.462	2.794	9,8%
Third parties' fees and expenses	18.506	17.318	1.188	6,9%
Promotion and advertising expenses	4.748	3.811	937	24,6%
Insurance expenses	788	705	83	11,8%
Telecommunication expenses	1.359	499	860	172,3%
Other taxes fees	2.656	2.626	30	1,1%
Other expenses	14.627	14.362	265	1,8%
Total	**155.577**	**147.729**	**7.848**	**5,3%**

Administrative and distribution expenses have increased overall as a consequence of the overall development of the gas station network applied by the Group. Operating expenses for 2018 represent 7.1% of the revenues for the year, while for 2017 the corresponding figure was 7.6%.

The respective analysis of the Company's operating expenses during 2018 is presented as follows:

	31/12/2018	**31/12/2017**
Allocation per operation:		
Cost of sales	2.894	2.635
Distribution expense	85.450	81.983
Administration expenses	10.397	9.722
Total	**98.741**	**94.340**

	Company		Change	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**Amount**	**%**
Benefits to employees	17.204	16.731	473	2,8%
Depreciation of Property, Plant and Equipment	10.194	9.361	833	8,9%
Depreciation of intangible assets	2.131	2.270	(139)	-6,1%
Expenses of repair and maintenance of tangible assets	1.181	1.633	(452)	-27,7%
Rental fee based on operating leases	14.855	14.020	835	6,0%
Warehousing charges	4.852	3.177	1.676	52,8%
Provision for bad debt	160	1.261	(1.101)	-87,3%
Transportation and travel expenses	19.274	20.053	(779)	-3,9%
Third parties' fees and expenses	14.014	12.489	1.525	12,2%
Promotion and advertising expenses	4.314	4.321	(7)	-0,2%
Insurance expenses	545	512	33	6,4%
Telecommunication expenses	975	467	508	108,8%
Other taxes fees	2.032	1.973	59	3,0%
Other expenses	7.010	6.072	938	15,4%
Total	**98.741**	**94.340**	**4.401**	**4,7%**

As it can be seen from the above tables, the operating expenses of the Company during the current year slightly increased compared to the previous period, representing 5% of the revenues (5.4% for the year 2017).

1.4 Other operating income

The other operating income of the Group and the Company increased by 7.3% and 10.4% in the current year respectively.

Group

Amounts in th. €	31/12/2018	31/12/2017	Change Amount	%
Income from rentals	3.765	3.906	(141)	-3,6%
Service income	4.665	3.427	1.238	36,1%
Other	3.519	3.799	(280)	-7,4%
Total	**11.949**	**11.132**	**817**	**7,3%**

Company

Amounts in th. €	31/12/2018	31/12/2017	Change Amount	%
Income from rentals	19.984	19.242	741	3,9%
Service income	5.269	3.792	1.478	39,0%
Other	5.918	5.203	715	13,7%
Total	**31.171**	**28.237**	**2.934**	**10,4%**

The increase in other income is mainly due to the development of the gas station network.

1.5 Other Gain/(Losses)

Group

Amounts in th. €	31/12/2018	31/12/2017	Change Amount	%
Gain/ (losses) from write-off of assets	(33)	(77)	44	-57,1%
Net gain/(losses) from exchange rate differences	(229)	(1.527)	1.298	-85,0%
Other	70	1.697	(1.627)	-95,9%
Total	**(192)**	**93**	**(99)**	**-106,5%**

Company

Amounts in th. €	31/12/2018	31/12/2017	Change Amount	%
Gain/ (losses) from write-off of assets	(20)	(77)	57	-74,0%
Net gain/(losses) from exchange rate differences	(17)	(1.505)	1.488	-98,9%
Other	(42)	1.594	(1.636)	-102,6%
Total	**(79)**	**12**	**(90)**	**-750,0%**

The change in other gains, both for the Group and for the Company, is mainly due to losses from exchange rate differences.

1.6 Financial expenses

Group

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Short-term loans' interest expense	2.368	1.931	437	22,6%
Long-term loans' interest and expenses	4.771	6.870	(2.099)	-30,6%
Banks' commissions and related expenses	5.894	4.768	1.126	23,6%
Total	**13.033**	**13.569**	**(536)**	**-4,0%**

Company

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Short-term loans' interest expense	2.078	1.778	300	16,9%
Long-term loans' interest and expenses	4.747	6.870	(2.123)	-30,9%
Banks' commissions and related expenses	625	685	(60)	-8,8%
Total	**7.450**	**9.333**	**(1.883)**	**-20,2%**

As it can be seen from the above tables, the financial expenses of both the Group and the Company decreased by € 536 thousand and € 1,883 respectively. This decrease is mainly due to the refinancing of loans on more favorable terms.

1.7 Income from investments and participations

Group

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Gain/ (losses) from Associates	4.617	3.729	888	23,8%
Gain from the acquisition of subsidiary	-	1.837	(1.837)	-100,0%
Total	**4.617**	**5.566**	**(949)**	**-17,0%**

Company

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Gain/ (losses) from sales of percentage in subsidiary	-	(2.365)	2.365	-100,0%
Total	**-**	**(2.365)**	**2.365**	**-100,0%**

For the Group, the Profit from Associates of € 4,617 thousand for the year 2018 relates to the Group's proportion of the financial results of the consolidated companies through equity method of "Shell & MoH aviation fuels" and "Petroleum Products Installations of Rhodes - Alexandroupolis SA», while the € 1,837 thousand relates to the gain from the acquisition of "LUKOIL CYPRUS LIMITED".

The loss of € 2,365 thousand that appears in the results of the Company concerns the transfer of 25% of the shares of "MEDPROFILE LTD".

Group

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Interest income	364	466	(102)	-21,9%
Total	**364**	**466**	**(102)**	**-21,9%**

Company

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Interest income	510	456	54	11,8%
Income from dividends	11.997	3.801	8.196	215,6%
Total	**12.507**	**4.257**	**8.250**	**193,8%**

The above table relates to income from investments that include interest income as well as remittance of merchant credits amounting to € 300 thousand for the year 2018 and € 237 thousand for the year 2017.

1.8 Income tax

Group

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Current corporate tax for the period	9.226	7.674	1.552	20,2%
Tax audit differences from prior years	387	409	(22)	-5,4%
Business tax	220	194	26	13,4%
Deferred tax	(206)	(2.593)	2.387	-92,1%
Total	**9.627**	**5.685**	**3.942**	**69,3%**

Company

Amounts in th. €	**31/12/2018**	**31/12/2017**	**Change Amount**	**%**
Current corporate tax for the period	5.893	4.686	1.207	25,8%
Tax audit differences from prior years	238	(227)	465	-204,8%
Business tax	14	13	1	7,7%
Deferred tax	78	(1.412)	1.490	-105,5%
Total	**6.223**	**3.061**	**3.163**	**103,3%**

Income tax for the years 2017 and 2018 is calculated with 29%.

According to new tax law 4579/2018, the tax rate for legal entities will be 28% for year 2019, 27% for year 2020, 26% for year 2021 and 25% for 202 onwards.

Income tax for the year for the Group arises by calculating on the accounting profit the following tax effects:

Group

Amounts in th. €	**31/12/2018**	**31/12/2017**
Profit/(Losses) before tax	30.158	22.518
Tax calculated based on the effective tax rates	8.746	6.530
Differences from tax audits	387	409
Business tax	220	194
Non-deductible for tax purposes expenses	794	701
Income excepted from tax	(1.224)	(1.618)
Other	704	(532)
Total	**9.627**	**5.685**

Company

Amounts in th. €	**31/12/2018**	**31/12/2017**
Profit/(Losses) before tax	30.310	13.320
Tax calculated based on the effective tax rates	8.790	3.863
Differences from tax audits	238	(227)
Business tax	14	13
Non-deductible for tax purposes expenses	613	1.140
Income excepted from tax	(3.364)	(1.102)
Other	(68)	(626)
Total	**6.223**	**3.061**

2. Financial Ratios

The basic financial ratios of the group are as follows:

Amounts in th. €	**31/12/2018**	%	**31/12/2017**	%
a. Return on Assets (ROA)				
Net Profit (losses) after tax	20.490	5,0%	16.556	4,1%
Total assets	410.614		407.661	
b. Return on Equity (ROE)				
Net Profit (losses) after tax	20.490	14,9%	16.556	14,0%
Total Equity	137.458		118.304	
c.Return on Invested Capital (ROIC)				
Profit after tax +Financial Expenses	33.523	11,3%	30.125	11,2%
Total Net Debt +Equity +Provisions	295.439		268.065	
d. Capital Gearing ratio				
Total Net Debt	155.484	53,1%	147.057	55,4%
Total Net Debt & Equity	292.942		265.361	
e. Ratio of Debt over Equity				
Total Net Debt	155.484	113,1%	147.057	124,3%
Total Equity	137.458		118.304	

The respective ratios for the Company are displayed below:

Amounts in th. €	**31/12/2018**	%	**31/12/2017**	%
a. Return on Assets (ROA)				
Net Profit (losses) after tax	24.046	6,4%	9.983	2,7%
Total assets	373.193		369.795	
b. Return on Equity (ROE)				
Net Profit (losses) after tax	24.046	19,7%	9.983	10,1%
Total Equity	121.913		98.765	
c.Return on Invested Capital (ROIC)				
Profit after tax +Financial Expenses	31.496	11,2%	19.316	7,6%
Total Net Debt +Equity +Provisions	282.342		253.356	
d. Capital Gearing ratio				
Total Net Debt	158.964	56,6%	153.045	60,8%
Total Net Debt & Equity	280.876		251.810	
e. Ratio of Debt over Equity				
Total Net Debt	158.964	130,4%	153.045	155,0%
Total Equity	121.913		98.765	

3. Transactions among Related Parties

The following transactions refer to transactions with related parties:

	Group		**Company**	
Amounts in th. €	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Sale of services and goods:				
To the parent company	22.047	14.075	22.036	14.063
To subsidiaries	-	-	981.820	834.497
To associates	1.573	1.398	1.572	1.398
To other related parties	51.125	24.836	50.907	24.675
Total	**74.745**	**40.309**	**1.056.335**	**874.633**
Purchases of services and goods:				
From the parent company	604.158	505.512	546.384	486.694
From subsidiaries	-	-	3.693	2.028
From associates	387	385	387	385
From other related parties	71.636	44.828	52.874	28.877
Total	**676.181**	**550.725**	**603.338**	**517.984**

Services from and to related parties as well as sales and purchases of goods are made in accordance with normal commercial terms. The other related parties mainly concern associates and companies in which the Group's main shareholder participates and exercises substantial influence.

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Receivables from related parties:				
From parent company	6.105	1.469	6.097	1.469
From subsidiaries	-	-	30.372	28.048
From associates	140	160	140	160
From other related parties	2.522	3.827	2.497	3.826
Total	**8.767**	**5.456**	**39.106**	**33.503**
Liabilities to related parties:				
To parent company	6.542	33.779	4.232	32.956
To subsidiaries	-	-	3.119	2.819
To associates	150	61	150	61
To other related parties	5.268	2.301	4.364	1.906
Total	**11.960**	**36.141**	**11.865**	**37.742**

Benefits To the management

For the year 2018, an amount of € 3,129 thousand was paid as manager fees of the Group. The corresponding amount for the year ended December 31, 2017 was € 3,033 thousand. There is no liability to members of the management as at 31/12/2017 neither during the comparative period.

4. Operations review

a) Investments – Development

Regarding the gas stations (network) development dpt, 2018 was an excellent year. A total number of 24 new own-operating RBA (a record number of the last 8 years , which includes 8 new Motorway Service Stations composed of 4 on the Ionian Road, 2 on PATHE and 2 on the new motorway in Central Greece) and 17 new co-operating gas stations, were put in service, all over Greece. The first electric car charging stations were launched and 16 autogas stations completed in the group's own network within 2018. Finally the Group continued to upgrade its network by offering to its customers the opportunity to cover their needs through the "AB Shop & Go" and "I LOVE Café" network at its gas stations, which has steadily expanded and numerically doubled in 2018.

In addition, the Group has laid the foundations for the expansion of its activities in the Balkan countries and Cyprus through the establishment of new companies, namely:

- CORAL ENERGY PRODUCTS (CYPRUS) LTD is the company entitled to use the Shell trademarks in Cyprus. The company was named after the completion of Lukoil Cyprus Limited acquisition by Coral SA in January 2017. The company in its former form has been operating in the country since 2002. In Cyprus, the company's core operation is the distribution and trading, through the Shell gas stations, a wide range of petroleum products such as petrol, diesel and lubricants. The company already operates 25 Shell brand stores in the Limassol and Nicosia regions and in the coming months will actively pursue the change of brands at the other stations with which it cooperates.

- CORAL SRB DOO BEOGRAD is the company entitled to use the Shell trademark in Serbia. The company was set up in 2017 with the aim to distribute and trade, through the Shell brand gas stations, a wide range of petroleum products such as fuel, oil and lubricants. Coral Serbia aims to grow in the market with targeted investments through its central gas stations through which it will be able to supply quality products and services to Serbian consumers. Three gas stations are already in operation, one on the E-70 motorway near Adasevci, another on Jurica Gagarina 40B in New Belgrade and a third gas station in Novi Sad.

- CORAL-FUELS DOEL SKOPJE was established on 24.11.2017 as a limited liability company with an indefinite duration, headquartered in FYROM (Dimitri Chupovski 4 / 2-3, Skopje) and a registered share capital of € 30 thousand payable within one year from the company's foundation.

- CORAL MONTENEGRO DOO PODGORICA was established on 27.11.2017 as an independent economic and business entity liable for all its debts through its assets (full responsibility) based in Montenegro (Podgorica, 3 Miljana Vukova street) and registered share capital € 50 thousand which was already paid upon the establishment of the company. Its core business, as defined in its articles of association, is the wholesale of solid and gaseous fuels and related products.

- CORAL ALBANIA SHA is the company entitled to use the Shell trademark in Albania. The company was set up in 2018 with the aim to distribute and trade, through the Shell brand gas stations, a wide range of petroleum products such as fuel, oil and lubricants. Coral Albania aims to develop on the market through fuel stations through which it can supply quality products and services to Albanian consumers. The headquarters of the company are in Tirana of Abania (Rruga Reshit Çollaku, Pallatet Shallvare, Number 44) and share capital € 52 thousand.

At the same time, the Group expanded its activities and strengthened its presence in new sectors through the following companies:

- Coral Products and Trading SA, which has been active in the fuel shipping industry throughout the Greek territory since 2017, continued its investment plan for 2018, modernizing its infrastructure and increasing its market share in the Greek territory.

- Coral Innovations SA is active in the e-commerce industry through www.allsmart.gr website, selling thousands of products and investing in important collaborations to deliver the best products and services to its customers. At the same time, it is active in the commercial digital signage network with a 100+ network of displays.

  In addition, Coral Innovations SA is responsible for the procurement of hall products for Coral and AVIN own operating RBA’s and is the exclusive distributor for Greece, Cyprus, Serbia, Albania and Montenegro for the products of SENGLED, STAYHOLD, TRICO, COOLIO. Finally, it has designed and distributed in Greece and abroad the vitamin water COOLVIT.

b) Quality– Environment– Health & Safety– Labor issues

The Coral Group has consistently been operating in the oil trading sector since 1928, acting primarily with regard to respect for man and the environment. It offers excellent customer service, providing high quality services and products of high standards.

In order to achieve its objectives in the Quality - Environment - Health and Safety sectors, the Coral Group:

It is supplying its products mainly from Motor Oil Hellas, thus ensuring by this way products of certified quality and high standards. It systematically approaches the management of Quality, Health, Safety, Protection and Environment in order to ensure compliance with existing legislation and to ensure continuous improvement in performance. It strategically targets continuous improvement by measuring, evaluating and communicating the achievement of its goals, keeping in full all ISO 9001, ISO 14001 and OHSAS 18001 certifications by the most independent certification carriers.

Additionally, the Group, having an absolute sense of social responsibility, applies rigorous policies on issues related to Quality, Health, Safety, Protection and Environment.

In addition, it requires from contractors, partners and joint ventures of companies under its operational control to implement these policies as well as to utilise their influence in promoting these policies. In order for the Group to cultivate that mentality, within the context of which the Coral Group staff will embrace these commitments, including the performance on issues of Quality, Health, Safety, Protection and Environment in the performance reports of all staff and it rewards them accordingly.

The Coral Group has both on its facilities and office premises the necessary equipment to enable it to be properly prepared to deal directly and effectively with any emergency situation that can cause harm to humans, the environment, its facilities or third parties.

Labour relations are at a very good level, since their formulation apart from the provided from relevant clauses is based on respect for human rights and labour freedoms, on the development of a spirit of mutual trust, understanding and co-operation, as well as on the establishment of human resources management policies that define in a clear and non-discriminatory way the issues related to Human Resource Management.

A system of consistency, transparency and objectivity is applied for the definition, management and evolution of staff remuneration. Competitive performance-based remuneration is provided.

In addition to all kind of monetary rewards, we offer to our staff a wide range of voluntary benefits that cover them and their families. Voluntary benefits aim to strengthen their insurance beyond the requirements of the law, to further strengthen their ties with the Group, to the development of cooperation and team spirit and to ensure a balance between personal and professional life. Some of the actions undertaken at the initiative of the Group are:

- Lifetime and health insurance supplementary program.
- Pension plan.

We recognize that the development and implementation of the Group's business strategy in an internationalized and highly technical sector such as the oil industry are closely linked to the development of employees' skills and competences. Hence, the training of human resources in the areas of both vocational training and individual training is a key issue for which significant investment in money and time is spent. Education policy provides for the linking of jobs with the knowledge and skills that each member of staff has to offer, with the ultimate goal of continuous, responsible, flexible and integrated vocational education and training of workers.

c) Shareholders

The parent company of the Coral Group until June 30, 2010 was a 100% subsidiary of Shell Overseas Holdings Limited and a member of the Royal Dutch Shell Group. On July 1, 2010, the acquisition of 100% of the Company was completed by Motor Oil (Hellas) Corinth Refineries SA, which is a societe anonyme, has been incorporated in Greece in accordance with the provisions of Codified Law 2190/1920, based in Maroussi, Herodes Atticus 12a, PC 151 24 and is listed in the Athens Stock Exchange.

On 31/12/2018 the company did not hold any treasury shares

The share capital of Coral SA amounts to € 80,150,976 consisting of 2,730,868 common registered shares that do not have the right to a fixed income of nominal value of € 29.35 each. The Company's shares are not traded on any active stock market.

d) Significant events incurred up until today

No event has occurred that significantly affects the financial structure or business performance of the Group from 1/1/2019 until the compilation date of the present..

e) Main Sources of Accounting Estimates' Uncertainty

The preparation of the Consolidated Financial Statements requires the carrying out of estimates and assumptions that may affect the carrying amounts of assets and liabilities and disclosures required for contingent assets and liabilities as well as the amount of revenues and expenses recognized. The use of adequate information and the application of subjective judgment are an integral part of estimating asset valuations, employee benefits' obligations, impairment losses, open tax liabilities and pending court cases. Estimates are important but not binding. Actual future results may differ from the above estimates. The most significant sources of uncertainty in the management's accounting estimates mainly concern the disputed cases and tax unaudited fiscal years as detailed in note 32 of the financial statements. Other sources of uncertainty are related to the Management's assumptions regarding employees' retirement benefit plans, rises in inflation rates. Also a source of uncertainty is the estimation of the useful life of the fixed assets. Management's estimates and judgments are continually being reviewed and are based on historical data and expectations for future events that are judged to be reasonable under current conditions.

f) Financial Risk Management

The management of the Group has assessed the impact on the financial risk management that may arise due to the general situation of the business environment in Greece. More generally, as discussed below in the management of individual risks, it does not consider that any adverse developments in the Greek economy will significantly affect the smooth operation of the Group.

Financial risk factors

The Group is exposed to financial risks such as market risk (changes in exchange rates, cash flow risk and fair value from interest rate fluctuations and price risk), credit risk and liquidity risk. The Group's general risk management plan seeks to minimize the potential negative impact of financial market volatility on the Group's financial performance.

In summary, the types of financial risks that arise are analyzed below.

(a) Market risk

<u>Foreign exchange rate risk</u>

The Group is mainly active in the Greek market and invoices in Euro. For foreign currency transactions, the Company is exposed to currency risk from the US Dollar. Because of this there is a risk of fluctuations in exchange rates. Also, due to the use of international platts prices in US dollars for petroleum markets, the relative US Dollar / Euro exchange rate is an important factor in the Group's profit margins. Currency risk management is conducted by maximizing natural hedging through debt obligations - receivables and inflows - outflows in US dollars.

<u>Cash flow risk and fair value changes due to changes in interest rates</u>

The Group has access to the domestic money market and is able to achieve competitive interest rates and borrowing terms. The risk stems mainly from the fact that the total borrowing of the Company uses floating interest rates.

At 31 December 2017, if the existing interest rates on loans were 1% higher or lower, keeping the other variables constant, the results for the Group and the Company for the year would be reduced / increased by approximately € 1.68 million and € 1.63 million, respectively.

<u>Price risk</u>

The Group is exposed to the risk of oil prices' fluctuations due to stockpiling and faces this risk by regulating stocks at the lowest possible levels and setting sales prices from the daily international prices.

(b) Credit risk

Credit risk mainly relates to trade and other receivables as the Group's cash and cash equivalents are deposited to well-known banking institutions.

Group receivables are allocated to a large number of customers and therefore there is no concentration and consequently significant credit risk. The Group has contracts for trading with its customers, which stipulate that the selling price of the products will be in line with the corresponding current prices prevailing during the trading period. Also, the credit risk management department deals exclusively with the implementation of the Group's credit policy. In addition, in order to secure its receivables, the Group receives real estate's encumbrances from its clients as well as bank guarantee letters where it is deemed necessary.

In relation to credit risk associated with the placements of cash, it is noted that the Group only cooperates with the largest financial institutions in the country with a high credit rating.

(c) Liquidity risk

The Group prepares and monitors on a monthly basis a cash flow program that includes both operating and investing cash flows.

Prudent liquidity management is achieved by the availability of an appropriate mix of cash and bank credit. The Group manages the risks that may arise from lack of sufficient liquidity by ensuring that there are always secured bank credits for use by domestic banks or through the Group from foreign banks. The existing available unutilized approved bank credits to the Company are sufficient to address any potential cash deficit.

The table below analyzes the Group's liabilities according to the time horizon from the date of the statement of financial position to the contractual maturity date. The amounts shown are for contractual obligations.

Group
Amounts in th. €

31/12/2018	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	3,95%	50.528	-	122.631	-
Trade and other liabilities	-	83.391	-	-	-

31/12/2017	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	5.31%	53.551	105.000	11.511	-
Trade and other liabilities	-	103.408	-	-	-

Company
Amounts in th. €

31/12/2018	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	3,93%	48.572	-	115.655	-
Trade and other liabilities	-	72.359	-	-	-

31/12/2017	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	5,33%	45.528	105.000	11.511	-
Trade and other liabilities	-	95.159	-	-	-

Capital risk management

The Group's objectives in relation to capital management are to ensure its ability to operate smoothly in the future and to maintain an ideal capital allocation thereby reducing capital costs.

The Group's funds are judged to be satisfactory on the basis of the leverage ratio. This factor is calculated by dividing net borrowing with total capital employed. Net borrowing is accounted for as

"Total loans" (including "short-term and long-term loans" as shown in the statement of financial position) minus "Cash and cash equivalents". Total capital employed is calculated as "Equity" as shown in the statement of financial position plus net borrowing.

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Bank loans	173.159	170.062	164.227	162.039
Cash and cash equivalents	(17.676)	(23.005)	(5.263)	(8.994)
Net bank debt	**155.484**	**147.057**	**158.964**	**153.045**
Total Equity	**137.458**	**118.304**	**121.913**	**98.765**
Net bank debt over Equity	**1,13**	**1,24**	**1,30**	**1,55**

5. Information on the Group's Projected Development

The objectives and strategies of the Group for the year 2018 are:

Maintaining positive cash flows from operating activities mainly through optimization of working capital management (inventories, trade receivables, trade payables) as well as rigorous selection and evaluation of investment opportunities.

Strict implementation of the credit policy in order to avoid the possibility of increased bad debts in the difficult economic environment in which the Group operates.

Reduce operating costs primarily through further exploitation of synergies with the related companies of the Motor Oil Group and through optimizing the efficiency of the operation of fuel storage facilities.

Maintaining the Group's leadership in the availability of innovative products and services that help strengthen competitive advantage and diversify product and service brands.

Development of activities in the field of Exports in the Balkans.

Further improvement of the already very high level of services provided in the network of our gas stations, through the continuous training of staff.

Maintaining the highest level of safety in all the Group's activities with continuous improvement of the existing practices, continuous training of the personnel in the high safety standards of the Group and equipment adequacy.

Maintaining the flexibility and adaptability of the Group to the peculiar market conditions and banking environment created by the application of banking restrictions from mid-2015.

The objective of Group's Management is to increase EBITDA in the year 2019 compared to 2018 levels.

Marousi 17 April 2019

BoD CHAIRMAN	**BoD VICE-CHAIRMAN**
JOHN V. VARDINOYANNIS	GEORGIOS K. THOMAIDIS
THE GENERAL MANAGER	**BoD MEMBERS**
GEORGIOS N. HATZOPOULOS	JOHN N. KOSMADAKIS
	PETROS TZ. TZANNETAKIS
	SPIRIDON P. MPALEZOS
	ACHILLEAS V. SKLIVANIOTIS
	NIKOLAOS G. DIKAIOS
	KONSTANTINOS N. THANOPOULOS
	NIKOLAOS P. TSALAMANDRIS

EXACT COPY FROM THE BoD MINUTES' BOOK

THE BoD CHAIRMAN	**THE GENERAL MANAGER**
JOHN V. VARDINOYANNIS	GEORGIOS N. HATZOPOULOS

CORPORATE GOVERNANCE STATEMENT (LAW 4548/2018)

The present statement that has been compiled according to the provisions of the Law 4548/2018 (Government Gazette A' 104/ 13.6. 2018) forms part of the Report of the Board of Directors of the year 2018 of "CORAL SA PETROLEUM AND CHEMICALS PRODUCTS COMPANY S.A." (hereinafter referred to as CORAL SA) as a separate section of it and it is available through the Company's website http://www.coralenergy.gr/.

Part of the information included in the topics that follow is included in the Report of the Board of Directors and the Notes of the year 2018 Financial Statements of "CORAL S.A.".

a) The board of directors of the Company declares that the Company has adopted and fully complies with the existing corporate governance framework which is in force in Greece, in particular under the laws 4548/2018, which replaced law 2190/1920,3016/2002 and 4449/2017 (Audit Committee) as they apply, and that it has developed and implements a Code of Corporate Governance, which was drafted pursuant to Law 4403/2016.

The Company has prepared a Corporate Governance Code, which was approved and entered into force by the decision of the Board of Directors dated 10.01.2018. The Corporate Governance Code includes chapters related with the Company's Board of Directors, the Directors and Board Members Remuneration Policy, the General Meetings, the relations with Shareholders and Investors, Accountability and Audit. The present Corporate Governance Code, with the indication "January 2018" is available through the company's website (https://www.coralenergy.gr/en/for-the-customer/general-business-principles/).

Furthermore, the Company has an Internal Operating Regulation, which was approved and entered into force by the decision of the Board of Directors dated 10.01.2018.The Internal Operating Regulation has the minimum content referred to in article 6 of Law 3016/2002, as currently in force.

b) No practices additional to those provided by the law are applied as the Board of "CORAL S.A." deems the existing institutional and regulatory framework in place in our country as fully adequate.

c) With reference to the way of function of the Internal Control and Risk Management Systems of the Company in relation to the process of preparation of Company financial statements, it is hereby mentioned that the reporting system of "CORAL S.A." utilizes a professional and highly advanced software for reporting to the top management of the Company and to external users. Comprehensive Income and Financial Position Statements along with other relevant analyses are prepared on a stand alone and consolidated basis on a monthly basis for top management, on a quarterly basis for parent company (MOTOR OIL SA) and on a semi – annually basis for statutory reporting purposes in accordance to IFRS.
Both management and statutory reporting include all the necessary information pertinent to an up-to-date controlling system, including sales, costs, operating profit and other details. All management reports include current period data which are compared to the budget that was approved by the BoD and to the Previous Year comparative reporting period. All the statutory interim and year end reporting financial statements are prepared in accordance to IFRS,

include all the necessary financial information and disclosures according to IFRS, are respectively reviewed by the Audit Committee and duly approved by the BoD as a whole.

d) The table below shows the share composition of the Company as at 31.12.2018:

ΜΕΤΟΧΙΚΗ ΣΥΝΘΕΣΗ ΕΤΑΙΡΕΙΑΣ		
Shareholder	**No of shares**	**Participation percentage**
MOTOR OIL (HELLAS) CORINTH REFINERIES S.A.	2.730.868	100%
Total	**2.730.868**	**100%**

The Group's share capital at 31 December 2018 and 31 December 2017 amounts to € 80,151 thousand and is divided into 2,730,868 shares of € 29.35 each.
All shares are common and registered.

The rights of the shareholders are exercised in accordance with the applicable law and the Company's Articles of Association. The Company's shareholders exercise their rights (deriving from the law and the Article of Association) according to their percentage over the Company's share capital. The Company declares that it complies with the corporate governance requirements to ensure that the control exercised by MOTOR OIL (HELLAS) CORINTH REFINERIES SA it is not abusive.

The Company declares that on 31.12.2018 has not been aware of any agreement, the application of which, at a later date could lead to changes in the control of the Company. The Company is not aware of any information regarding agreements between its shareholder, which regulate matters of direct or indirect control over it.

e) The General Assembly of Shareholders is the Company's highest governing body, and is entitled to decide on any matter concerning the Company. Its lawful decisions also bind the shareholders who are absent or disagree.

The General Assembly is the only body competent to decide on:
a)Extension of the duration, merger or dissolution of the Company, b) Amendment of the Articles of Association, c) Increase or decrease of the Share Capital, except for special cases, d) issue of a bond loan except for special cases, e) Election of members of the Board of Directors except of special cases, (f) Election of auditors, (g) Appointment of liquidators, h) Distribution of net profits and i) Approval of the annual financial statements.

The General Assembly of Company's shareholders is convened by the Board of Directors and regularly meets at Company's premises at least once a year in accordance with Company's Article of Association and the applicable law. The Board of Directors may convene an Extraordinary General Assembly when it deems it appropriate.

The General Assembly is in quorum and validly meets on the items of the agenda when at least 20% of the paid-up share capital is represented in it. If such a quorum does not occur at the first meeting, a second assembly shall be held within twenty (20) days of the cancelled assembly (with an invitation at least ten – 10 – days before). This second Assembly is in

quorum and validly meets on the items of the agenda regardless of the part of the paid-up share capital represented in it.
The decisions of the General Meeting are taken by an absolute majority of the votes represented in it, except in the cases provided by the applicable legislation and the Articles of Association of the Company.

The exact manner of operation of the General Assembly of Shareholders of the Company is recorded in detail in the Articles of Association of the Company and the applicable legislation.

f) According to article 18 of the Company's Articles of Association, the Board of Directors consists of three (3) up to eleven (11) members. The members of the Board of Directors are elected by the General Assembly of the Company's shareholders for a term of three (3) years, which automatically extends through the first ordinary General Assembly after the end of their term of office, which may not exceed four (4) years. The members of the Board of Directors may be re-elected. If, for any reason, a member's seat is vacated, then, the remaining members, if they are at least three, shall be elect a deputy for the remaining term of office of the BoD. This election shall be announced at the first convened General Assembly, which may replace the elected, even if no relevant manner has been entered in the agenda. The acts of temporary members elected by the Board of Directors are considered valid even if their election by the General Assembly is not yet validated. At the meetings of the Board of Directors, they may attend - if they have been invited - employees or associates of the Company, as well as legal or technical advisors with no voting rights.
The Company's current Board of Directors was elected at the Annual General Assembly of Shareholders' held on 29.06.2018 and is composed of ten (10) members, of which four (4) are executive and six (6) are non-executive members. Two (2) of non – executive members are independent, within the meaning of Law 3016/2002.
In particular, the current composition of the Board of Directors as it formed after its constitution under the Board of Directors' decision of 29.06.2018 is as follows:

Name	Board Position	Member Identity
John V. Vardinoyannis	Chairman	Executive Member
George K. Thomaidis	Vice Chairman	Executive Member
George N. Hatzopoulos	Managing Director	Executive Member
John N. Kosmadakis	Member	Non executive Member
Petros Tz. Tzannetakis	Member	Non executive Member
Spyridon P. Balezos	Member	Non executive Member
Nikolaos G. Dikaios	Member and Secretary	Executive Member
Achilleas V.Sklivaniotis	Member	Non executive Member
Nikolaos P. Tsalamandris	Member	Non executive-Independent Member
Konstantinos N. Thanopoulos	Member	Non executive-Independent Member

The term of office of the members of the Board of Directors, in accordance with the decision of the Annual General Assembly of Shareholders dated 29/06/2018, was set at three (3) years, ie until 29/06/2021 and may be extended until the first Ordinary General Assembly of the Company's shareholders after its expiration, but can not exceed four (4)years.

In accordance with the applicable legislation, the Corporate Governance Code and the Company's Articles of Association, the Board of Directors determines by decision the responsibilities of its executive and non-executive members, as well as the establishment of committees.
The Board of Directors has the management (administration and disposal) of the Company's property and the representation of the Company. It decides on all in general matters concerning the Company within the framework of the corporate purposes, with the exception of those which according to the law or the Articles of Association belong to the exclusive competence of the General Assembly.
The Board of Directors may entrust the exercise of any of its powers and responsibilities in whole or in part (other than those requiring collective action) and the representation of the Company in general, to one or more persons, members or employees of the company or third parties, defining the scope or terms of such assignment. It may also appoint their alternates in case of their absence or impediment.
However, the responsibilities of the Board of Directors are subject to the relevant articles of Law 4548/2018, as in force.
According to article 20 of the Company's Articles of Association, the Board of Directors immediately after its election meets and is constituted in a body, electing the President and its Secretary and, one or more Vice-Presidents. As a Secretary may be elected any third person or non-member of the Board of Directors.
The Chairman of the Board of Directors directs the meetings. The Chairman, when absent or impeded, overrides his / her responsibilities, the Vice-Chairman and, when absent or impeded, the Chief Executive Officer or any of the Directors, in accordance with the decision of the Board of Directors.
The Board of Directors meets at least once a month at the Company's headquarters or at the Municipality of Athens. It shall be convened at any time by its chairman or at the request of two of its members.
A member absent may be represented by another member. Each counselor may represent only one counselor absent.
The Board of Directors is in quorum and validly meets when present or represented in this half by more than one of the members, but the number of present members may not be less than three (3).
Decisions of the Board of Directors are taken by an absolute majority of the members present and those represented, except for special cases of the Company's Articles of Association, where a majority of at least two-thirds (2/3) of the members is required.
The minutes and the decisions of the Board of Directors are recorded in minutes, which are signed by the chairman and the members present at the meeting. Members do not have the right to refuse to sign the minutes of the meetings they attended. In case of refusal, a summary of the opinion of the refusing member is recorded in the minutes. Copies and extracts from the minutes of the Board of Directors shall be validated by the Chairman or his deputy or a person appointed by the Board of Directors by decision. The exact manner of operation of the Company's Board of Directors is described in detail in the Company's Articles of Association and the applicable law.

g) The following committees operate within the Company:

<u>Organization of Corporate Governance & Remuneration Committee</u>

<u>Audit Committee</u>

<u>Organization of Corporate Governance & Remuneration Committee</u>

The Organization of Corporate Governance & Remuneration Committee operates within the framework of the Board of Directors. The Board of Directors has, on the one hand, assigned staffing and remuneration to the Committee to ensure that senior executives and directors are rewarded in a manner consistent with the company's remuneration policy, competition, current institutional framework for employment and the interests of shareholders; on the other hand, to monitor the implementation of the corporate governance requirements, to inform the Company's Management of the developments of the current regulatory framework and to propose optional practices of Corporate Governance to Management.
The current composition of the Corporate Governance and Remuneration Committee consists of three (3) members of the Board of Directors. The Corporate Governance and Remuneration Committee is composed of the following members of the Board of Directors of the Company, pursuant to the decision of the Board of Directors dated 29.06.2018: Mr George K. Thomaidis, mr George N. Hatzopoulos and mr Nikolaos G. Dikaios.

<u>Audit Committee</u>

<u>Purpose and Responsibilities</u>
The Audit Committee was set up with the primary objective of assisting the Company's Board of Directors in fulfilling its supervisory responsibilities related to the financial reporting process, the effectiveness of internal control systems to ensuring quality and risk management related to the Company, the independence of the statutory auditor, as well as the review of the statutory audit of the annual and consolidated financial statements.
In particular, the Audit Committee, among others:
a) Briefing the Board for the result of the statutory audit explaining the contribution of this audit on the truthfulness of the financial information and what was the role of Audit Committee in this process,

b) Monitoring the process of the financial reporting and submitting recommendations or proposals in order to secure its integrity,

c) Supervising the effective operation of the Company's Internal Control and Risk Management Systems and, as the case may be, of the Internal Audit Department with regard to the financial information of the audited entity without affecting its independence,

d) Observing the statutory audit of the yearly stand alone and consolidated financial statements and, particularly, the performance of this audit,

e) Supervising and overseeing the independence of the statutory auditors or of the auditing firms and, especially, the rightness of their providing non-financial services to the Company,

f) Having the responsibility for the selection process and the submission of the recommendation to the Board with regard to the appointment of the statutory auditors or of the auditing firms.

In addition, the Audit Committee monitors and insures the proper functioning of the Internal Audit Dpt in accordance with professional standards and the applicable legal and regulatory framework, and evaluates its work, adequacy and effectiveness, without affecting its independence.

Where appropriate, the Audit Committee submits proposals to the Board of Directors to ensure that the Internal Audit Dpt has the necessary means, is adequately staffed with sufficient knowledge, experience and training, there are no limitations on its work and has the required independence.

In any case, the Audit Committee operates under the existing legislation and according to the provisions of its Articles of Association, which is marked as "January 2018" and has been approved on 10.01.2018 by decision of the Company's Board of Directors.

Composition
The Audit Committee is a committee of the Company's Board of Directors, in accordance with the definitions in article 44 par. (b) of Law 4449/2017 and is composed of three (3) members, who are non-executive members of the Board of Directors and independent non-executive members of the Board of Directors. Most of them are independent of the Company. All members of the Audit Committee are appointed by the General Assembly of the Company's shareholders. The Chairman of the Committee is appointed by its members (or elected by the General Assembly of Company Shareholders) and is also independent of the Company. Members' term of office is annual and is renewed annually at the Annual General Assembly of Company Shareholders. The Audit Committee may also have a substitute member.
The members of the Audit Committee, as a whole, have proven sufficient knowledge of the sector of petroleum and chemicals products, in which the Company operates. At least one (1) member of the Audit Committee has in this case proven sufficient knowledge in auditing and accounting, as required by the provisions of the last paragraph of Article 44 (1) of Law 4449/2017, in order to be in the Audit Committee, to fulfill specific responsibilities related to paragraph 3 of Article 44 of Law 4449/2017. The evaluation of the candidate members of the Audit Committee is carried out, each time, by the Board of Directors of the Company.
The Audit Committee consists of the following independent non-executive and non-executive members of the Board of Directors of the Company, which were elected by the decision of the Ordinary General Assembly of Company Shareholders dated 29.06.2018:

1. Chairman - Independent Non-Executive Member of the BoD: Konstantinos N.Thanopoulos,
2. Member - Independent Non-Executive Member of the BoD: Nikolaos P. Tsalamandris,
3. Member- Non-Executive Member of the BoD: Achilleas V. Sklivaniotis

Substitute member: Spyridon P. Balezos.

h) The Company opts to maintain a Board with a number of Directors notably greater than the minimum of three (3) provided by the Company Articles of Association so that a wide array and range of knowledge, qualifications and experience conducive to corporate goals are represented in it, at the same time ensuring, to the degree this is feasible, a relative balance between the number of executive and non - executive members. There is no any limiting factor related to age, gender, educational and professional limitation regarding the persons who appointed at the Company's administrative, management and supervisory bodies, but they are evaluated in order to ensure the integrity of each Company's operation.

Coral Group of Companies

ANNUAL FINANCIAL STATEMENTS

IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS AS THEY HAVE BEEN ADOPTED BY THE EUROPEAN UNION

FOR THE FISCAL YEAR 1 JANUARY – 31 DECEMBER 2018

OF THE GROUP AND THE PARENT COMPANY

CORAL COMPANY OF PETROLEUM AND CHEMICAL PRODUCTS SA

Coral

Shell Licensee

Contents of the financial statements **Page**

The financial statements of the Group and the Company, pages 4 to 57, were approved at the Board of Directors' meeting on Wednesday, April 17, 2019 and are subject to the approval of the Annual General Meeting of Shareholders.

Statement of Total Comprehensive Income for the year ended on 31st of December 2018

Amounts in th. €	Note	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Revenue	5	2.181.726	1.938.818	1.955.441	1.766.231
Cost of sales		(2.000.471)	(1.773.973)	(1.865.433)	(1.682.013)
Gross profit		**181.255**	**164.845**	**90.008**	**84.218**
Distribution expenses	6	(141.873)	(134.106)	(85.450)	(81.983)
Administration expenses	6	(12.929)	(11.909)	(10.397)	(9.722)
Other operating income	8	11.949	11.132	31.171	28.237
Other gain/ (losses)	9	(192)	93	(79)	12
Operating results		**38.210**	**30.055**	**25.253**	**20.762**
Financial expenses	10	(13.033)	(13.569)	(7.450)	(9.333)
Gain/ (losses) from sale of subsidiary's share	11	-	-	-	(2.365)
Income from investments	11	364	466	12.507	4.257
Gain from subsidiary acquisition	11	-	1.837	-	-
Profit from associates	11	4.617	3.729	-	-
Profit/(Losses) before tax		**30.158**	**22.518**	**30.310**	**13.320**
Income tax	12	(9.668)	(5.962)	(6.264)	(3.337)
Net profit /(losses) for the year after tax		**20.490**	**16.556**	**24.046**	**9.983**
Attributable to the shareholders of the Company		**20.689**	**16.238**	**24.046**	**9.983**
Non-controlling interests		**(199)**	**318**	**-**	**-**
Profit /(losses) per share in €	13	**7,58**	**5,95**	**8,81**	**3,66**
Other comprehensive income					
Items that they will not be reclassified subsequently to p&l					
Actuarial gain /(losses) from pension schemes	28	56	(953)	56	(953)
Other comprehensive income		(81)	(10)	-	-
Income tax	12	41	277	41	276
Total comprehensive income		**20.506**	**15.870**	**24.143**	**9.306**
Attributable to the shareholders of the Company		**20.705**	**15.552**	**24.143**	**9.306**
Non-controlling interests		**(199)**	**318**	**-**	**-**

The notes in pages 8 until 57 constitute integral part of these financial statements.

Statement of Financial Position on 31st of December 2018

Amounts in th.€		Group		Company	
ASSETS	**Note**	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Non-current assets					
Property, Plant and Equipment	14	149.079	135.680	130.320	119.125
Intangible assets	15	10.020	10.187	8.453	9.651
Investments in subsidiaries		-	-	20.236	19.836
Investments in associates	16	8.269	7.728	3.015	3.015
Deffered tax asset		-	-	-	-
Other long-term receivables	19	17.191	17.385	16.553	17.380
Other financial assets	17	500	-	-	-
Total Non-current assets		**185.059**	**170.980**	**178.577**	**169.007**
Current Assets					
Inventories	20	101.674	99.681	77.206	80.971
Trade and other short term receivables	21	106.205	113.995	112.147	110.823
Cash and cash equivalents	22	17.676	23.005	5.263	8.994
Total current assets		**225.555**	**236.681**	**194.616**	**200.788**
Total Assets		**410.614**	**407.661**	**373.193**	**369.795**
EQUITY AND LIABILITIES					
Equity					
Share capital	23	80.151	80.151	80.151	80.151
Reserves	24	30.987	26.488	29.637	25.389
Retained earnings		23.835	8.981	12.125	(6.775)
Equity attributable to company shareholders		**134.973**	**115.620**	**121.913**	**98.765**
Non-controlling interests		2.485	2.684	-	-
Total Equity		**137.458**	**118.304**	**121.913**	**98.765**
LIABILITIES					
Non-current Liabilities					
Loans	25	122.693	116.511	115.716	116.511
Deferred tax liabilities	27	916	1.675	1.403	1.731
Provision for retirement benefit obligation	28	6.217	6.147	6.207	6.146
Provisions	29	1.933	2.057	902	899
Other long-term liabilities	31	5.595	5.310	4.634	4.358
Total non-current liabilities		**137.354**	**131.700**	**128.862**	**129.645**
Current liabilities					
Trade and other liabilities	30	83.391	103.408	72.359	95.159
Loans	25	50.466	53.551	48.511	45.528
Income taxes	26	1.260	-	863	-
Provision for retirement benefit obligation	28	120	50	120	50
Provisions	29	565	648	565	648
Total current liabilities		**135.802**	**157.657**	**122.418**	**141.385**
Total Liabilities		**273.156**	**289.357**	**251.280**	**271.030**
Total Equity and Liabilities		**410.614**	**407.661**	**373.193**	**369.795**

The notes in pages 8 until 57 constitute integral part of these financial statements.

Statement of Changes in Equity for the year ended on 31 December 2017

Group

Amounts in th. €	Share capital	Other reserves	Retained earnings	Total equity attributable to shareholders	Non-controlling interests	Total equity
Balance 1 January 2017	80.151	24.470	(2.188)	102.433	-	102.433
Net profit for the year	-	-	16.238	16.238	318	16.556
Dividends' reserves	-	1.808	(1.808)	-	-	-
Transfer	-	214	(214)	-	-	-
Other total comprehensive income	-	(4)	(682)	(686)	-	(686)
Addition from establishment /acquisition of subs	-	-	(2.365)	(2.365)	2.365	-
Balance 31 December 2017	**80.151**	**26.488**	**8.981**	**115.620**	**2.684**	**118.304**
Balance 1 January 2018	**80.151**	**26.488**	**8.981**	**115.620**	**2.684**	**118.304**
Effect of IFRS 9 adoption	-	-	(1.352)	(1.352)	-	(1.352)
Adjusted Balance 1 January 2018	**80.151**	**26.488**	**7.629**	**114.268**	**2.684**	**116.952**
Net profit for the year	-	-	20.689	20.689	(199)	20.490
Dividends' reserves	-	3.587	(3.587)	-	-	-
Transfer	-	913	(913)	-	-	-
Other total comprehensive income	-	(1)	17	16	-	16
Balance 31 December 2018	**80.151**	**30.987**	**23.835**	**134.973**	**2.485**	**137.458**

Company

Amounts in th. €	Share capital	Other reserves	Retained earnings	Total equity attributable to shareholders
Balance 1 January 2017	80.151	23.581	(14.273)	89.459
Net profit for the year	-	-	9.983	9.983
Dividends' reserve	-	1.808	(1.808)	-
Transfer	-	-	-	-
Other total comprehensive income	-	-	(677)	(677)
Balance 1 December 2017	**80.151**	**25.389**	**-6.775**	**98.765**
Balance 1 January 2018	**80.151**	**25.389**	**(6.775)**	**98.765**
Effect of IFRS 9 adoption	-	-	(995)	(995)
Adjusted Balance 1 January 2018	**80.151**	**25.389**	**(7.770)**	**97.770**
Net profit for the year	-	-	24.046	24.046
Dividends' reserve	-	3.587	(3.587)	-
Transfer	-	661	(661)	-
Other total comprehensive income	-	-	97	97
Balance 31 December 2018	**80.151**	**29.637**	**12.125**	**121.913**

The notes in pages 8 until 57 constitute integral part of these financial statements.

Statement of Cash Flows for the year ended 31 December 2018

		Group		Company	
Amounts in th. €	**Note**	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Operating activities					
Net profit / (losses) before taxes		30.158	22.518	30.310	13.320
Adjustments for:					
Depreciation of Property, Plant and Equipment	14	12.419	11.522	10.194	9.361
Amortization of intangible assets	15	2.421	2.413	2.131	2.270
Losses/ (gain) from fixed assets write off	9	33	77	20	77
Provisions		(39)	1.605	468	1.701
Exchange rate differences		31	152	41	111
Interest and related expenses	10	13.033	13.569	7.450	9.333
(Income- gain)/expenses- losses from investing activities		(4.972)	(6.030)	(12.498)	(1.890)
		53.084	**45.825**	**38.116**	**34.284**
Changes in the working capital accounts					
(Increase)/ decrease of inventories		(1.993)	(24.624)	3.765	(20.909)
(Increase)/ decrease of receivables		4.263	(7.184)	(3.887)	2.745
Increase/ (decrease) of payables		(21.221)	4.430	(23.677)	4.719
Increase/ (decrease) of provisions					
Cash flows from operating activities		**34.133**	**18.446**	**14.317**	**20.839**
Interest paid		(11.872)	(13.242)	(6.427)	(9.011)
Income tax paid		(6.301)	(15.395)	(2.725)	(11.275)
Net cash flows from operating activities		**15.960**	**(10.190)**	**5.165**	**553**
Cash flows from investing activities					
Purchase of Property, Plant and Equipment	14	(26.659)	(25.064)	(21.698)	(21.470)
Purchase of Intagible assets	15	(1.166)	(1.013)	(393)	(594)
Sales of Property, Plant and Equipment		22	22	5	22
Acquisition of subsidiaries, associates, joint ventures and other investments		25	48	11	38
Acquisition of Chemicals activity		-	(6.325)	(400)	(14.783)
Dividends received		3.997	3.801	11.996	3.801
Net cash flows from investing activities		**(23.781)**	**(28.531)**	**(10.479)**	**(32.985)**
Cash flows from financing activities					
Loans received		106.971	26.551	103.539	17.528
Loans repaid		(104.479)	(7.000)	(101.956)	(6.000)
Net cash flows from financing activities		**2.492**	**19.551**	**1.583**	**11.528**
Net (decrease)/increase in cash and cash equivalents		(5.329)	(19.171)	(3.731)	(20.904)
Cash and cash equivalents at the beginning of the year		23.005	42.176	8.994	29.898
Excange rate differences Gain/(losses) in cash and cash equivalents					
Cash and cash equivalents at the end of the year	22	**17.676**	**23.005**	**5.263**	**8.994**

The notes in pages 8 until 57 constitute integral part of these financial statements.

Notes on the financial statements in accordance with International Financial Reporting Standards

1. General information

The Parent Company of the CORAL Group (the Group) is the company with the company name CORAL SA (formerly Shell Hellas A.E.) PETROLEUM AND CHEMICAL PRODUCTS COMPANY SA (the Company) which is a Societe Anonyme and is incorporated in Greece in accordance with the provisions of Codified Law 2190/1920. 2190/1920, based in Maroussi (12A Irodou Attikou str., zip code 151 24). The change the Company's name took place on June 29, 2010 according to decision 7803/10 of the Athens Prefecture. The Group operates in Greece in the petroleum sector and its main activities concern the trading of petroleum products, the blending, packaging and trading of mineral oils and related products and the provision of related services which complement or serve the purposes of the aforementioned activities or general purposes of the Group.

The Company until June 30, 2010 was a 100% subsidiary of Shell Overseas Holdings Limited and a member of the Royal Dutch Shell Group. On July 1, 2010 the acquisition of 100% of the Company was completed by Motor Oil (Hellas) Corinth Refineries SA, which is listed company on the Athens Stock Exchange.

The number of staff employed by the Group and the Company at 31 December 2018 amounted to 313 persons and 276 persons respectively (31 December 2017: Group 316 persons, Company 274 persons).

The site of the group is http://www.coralenergy.gr/

2. New standards, amendments to standards and interpretations

New standards, amendments of existing standards and interpretations: Specifically, new standards, amendment to existing standards and interpretations have been issued, which are obligatory for accounting periods beginning during the present fiscal year or at a future time, and have an impact in the Group's financial data. The Group's appraisal regarding the effects from adopting new standards, amendment to existing standards and interpretations is analyzed below.

Standards and Interpretations mandatory for Fiscal Year 2018

Impact of Adoption of IFRS 9 "Financial Instruments"

This note explains the impact of the adoption of IFRS 9 "Financial Instruments" on the Group's financial statements and discloses the new accounting policies that have been applied from 1 January 2018, where they are different to those applied in prior periods. The accounting policies applied by the Group and the Company in order to comply with the requirements of IFRS 9 are included in note 3.

a) Changes in accounting policies

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

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

Classification of Financial Assets

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

- Financial assets at Amortized Cost
- Financial Assets at Fair Value through Other Comprehensive Income ("FVTOCI")

- Financial Assets at Fair Value through Profit or Loss ("FVTPL")

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

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

Measurement of Impairment of Financial Assets

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

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

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

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

b) IFRS 9 Transition impact on financial statements

As a result of changes in the accounting policies of the Group and the Company, the opening retaining earnings have been adjusted. As explained below, IFRS 9 was adopted without to restate prior periods, in accordance with the transitional requirements of IFRS 9. Reclassifications and adjustments therefore, arising from the new impairment rules, are not reflected in the statement of financial position at 31 December 2017 but are recognized in the opening statement of financial position as at 1 January 2018.

The following tables show the adjustments that are recognized in each separate account. Accounts not affected by the changes are not included. As a result, the subsets and sets mentioned can not be recalculated from the items presented.

The adjustments of the Group and the Company's accounting figures because of the adoption of new and revised IFRSs, are pictured in the following table:

Amounts in th.€	Group		
ASSETS	**31/12/2017**	**IFRS 9**	**1/1/2018**
Non-current assets			
Other financial assets	-	500	500
Total Non-current assets	**170.980**	**500**	**171.480**
Current Assets			
Trade and other short term receivables	113.995	(2.405)	111.590
Total current assets	**236.681**	**(2.405)**	**234.276**
Total Assets	**407.661**	**(1.905)**	**405.756**
Equity			
Retained earnings	8.981	(1.352)	7.629
Equity attributable to company shareholders	115.620	(1.352)	114.268
Total Equity	**118.304**	**(1.352)**	**116.952**
LIABILITIES			
Non-current Liabilities			
Deferred tax liabilities	1.675	(553)	1.122
Total non-current liabilities	**131.700**	**(553)**	**131.147**
Total Liabilities	**289.357**	**(553)**	**288.804**
Total Equity and Liabilities	**407.661**	**(1.905)**	**405.756**

Amounts in th.€	Company		
ASSETS	**31/12/2017**	**IFRS 9**	**1/1/2018**
Current Assets			
Trade and other short term receivables	110.823	(1.402)	109.421
Total current assets	**200.788**	**(1.402)**	**199.386**
Total Assets	**369.795**	**(1.402)**	**368.393**
Equity			
Retained earnings	(6.775)	(995)	(7.770)
Equity attributable to company shareholders	98.765	(995)	97.770
Total Equity	**98.765**	**(995)**	**97.770**
LIABILITIES			
Non-current Liabilities			
Deferred tax liabilities	1.731	(407)	1.324
Total non-current liabilities	**129.645**	**(407)**	**129.238**
Total Liabilities	**271.030**	**(407)**	**270.623**
Total Equity and Liabilities	**369.795**	**(1.402)**	**368.393**

Adoption of IFRS 9 by the Group and the Company

The adoption of IFRS 9 by the Group and the Company since 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The accounting policies applied by the Group and the Company in order to comply with the requirements of IFRS 9 are included in note 3. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated. Therefore:

i. Any adjustments to carrying amounts of financial assets or liabilities are recognised at the beginning of the current reporting period, with the difference recognised in opening retained earnings,

ii. Financial assets are not reclassified in the statement of financial position for the comparative period,

iii. Provisions for impairment of financial assets have not been restated in the comparative period.

On that ground, the total impact on the Group's and the Company's retained earnings as at 1 January 2018 is as follows:

Amounts in th.€	**Group**	**Company**
Closing retained earnings as at 31 December 2017	**8.981**	**(6.775)**
Increase in provision for bad debt of trade and other short term receivables	(1.905)	(1.402)
Decrease of deferred tax liabilities	553	407
Opening retained earnings 1 January 2018 - IFRS 9	**7.629**	**(7.770)**

Given that IFRS 9 was adopted without restating comparative information, the reclassifications and the adjustments arising from the IFRS 9 provisions, are not reflected in a restated statement of financial position as at 31 December 2017, but are recognized in the opening balances of the financial assets for the period starting as at 1 January 2018.

In detail, the effect in the Financial Assets of the Group and the Company, as of 1 January 2018, is presented by the following table:

		Group		
Amounts in th.€	**31 Dec 2017 Carrying amount according to IAS 39**	**Reclassification effects**	**Remeasurement effects**	**1 Jan 2018 Carrying amount according to IFRS 9**
Other financial assets	-	500		**500**
Trade & other short term receivables	113.995	(500)	(1.905)	**111.590**

		Company		
Amounts in th.€	**31 Dec 2017 Carrying amount according to IAS 39**	**Reclassification effects**	**Remeasurement effects**	**1 Jan 2018 Carrying amount according to IFRS 9**
Trade & other short term receivables	110.823	-	(1.402)	**109.421**

Measurement of Impairment of financial assets

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

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

The allowance for doubtful debts of trade and other receivables as at 31 December 2017, reconcile to the opening allowance on 1 January 2018, as follows:

Amounts in th.€	**Group**	**Company**
Provision for bad debt as of 31 December 2017 (under IAS 39)	31.985	28.772
Additional impairment losses at transition date (under IFRS 9)	1.905	1.402
Provision for bad debt as of 1 January 2018 (under IFRS 9)	**33.890**	**30.174**

Impact of application of IFRS 15 "Revenue from Contracts with Customers"

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

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

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

The Company and the Group conducted an analysis of its significant revenue streams for the purposes of identifying any changes between the previous and current accounting framework prescribed by the provisions of IFRS 15. Representative contracts that were relevant to accounting for the contracts under the new revenue standard (i.e.: performance obligations, transaction price etc.) including their key terms and conditions were analyzed for the purposes of the execution of the IFRS 15 impact assessment study. Details of the new requirements are analyzed in Note 3 under the section "Significant Accounting Policies", while the impact on the Company's and the Group's consolidated financial statements is described below.

The Company and the Group is mainly engaged in the distribution and marketing of petroleum products, such as gas, oil and lubricants, through its network of gas stations. At the same time, the Group's activities cover the commercial sector, chemicals as well as marine fuels. Consequently, the Group's main revenues come from the sale of petroleum products.

On the basis of the IFRS 15 impact assessment study conducted by the Group, it has been determined that revenue from the sale of products that come directly from the downstream production should be recognized at a point in time and shipping incoterm rules should form part of the assessment of when control passes to the Group's customers. Under the previous accounting framework (IAS 18), the passing of risks and rewards of ownership of products sold from the Group to its customers was the most crucial criterion for the determination of the timing of revenue recognition, which in practice was subject to the relevant shipping incoterm rules that were applicable at each different case. As such, under both the previous and the current accounting framework, the timing of revenue recognition is subject to the shipping incoterm rules that are applicable at each different contract that the Group has with its customers.

The underlying measurement principle of IFRS 15 with reference to variable considerations that form part of the transaction price is not significantly different from many aspects of the practice followed by the Company and the Group under IAS 18. In fact, under the previous accounting framework, any kind of variable consideration such as provisional sale prices subject to the changes of the market index price of oil products, volume rebates and discounts for prompt payments were estimated at the time of sale and the amount of revenue recognized was adjusted accordingly.In this context, the Group concluded that the adoption of IFRS 15 has no effect on the timing and the amount of revenue recognized by the Company and the Group compared to the practice followed under IAS 18.

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The Group has adopted the terminology used in IFRS 15 to describe such balances.

Apart from providing more extensive disclosures for the Group's revenue transactions, the application of IFRS 15 has not had an impact on the financial position and / or financial performance of the Company and the Group

IFRIC 22 "Foreign Currency Transactions and Advance Consideration"

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

<u>New Standards effective for periods beginning on or after January 1st 2019</u>

IFRS 16 "Leases"

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

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

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

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

Under IFRS 16, the intermediate lessor is required to classify the sublease as a finance or operating lease by reference to the right-of-use asset arising from the head lease (and not by reference to the underlying asset as was the case under IAS 17). Because of this change the Group will reclassify certain operating subleases as finance leases. The right-of-use assets will be derecognized and net investment in the subleases will be recognized. Based on an analysis of the Group's subleases as at 31 December 2018 on the basis of the facts and circumstances that exist at that date, the Management considers that the change will not have any material impact in the financial statements of the Company and the Group.

The Group has not yet finalized its assessment on the impact of IFRS 16, since the Group is in the process of implementing a new IT system and finalizing the new accounting policies, processes and controls in respect of IFRS 16. The Group expects to recognize right-of use assets of approximately €97 million to €119 million (out of which the amount of approximately €11.9 million has already been recognized in the statement of financial position as at 31 December 2018 as a prepayment) and lease liabilities of approximately €87 million to €106 million. The respective right-of-use assets and lease liabilities relate mainly to leases of premises for gas stations, office premises and transportation means.

The Company expects to recognize right-of use assets of approximately €77 million to €94 million (out of which the amount of approximately €11.9 million has already been recognized in the statement of financial position as at 31 December 2018 as a prepayment) and lease liabilities of approximately €66 million to €81 million. The respective right-of-use assets and lease liabilities relate mainly to leases of premises for gas stations, office premises and transportation means.

IFRIC 23 "Uncertainty over Income Tax Treatments"

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

IAS 19 (Amendment) "Plan Amendment, Curtailment or Settlement"

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

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

The amendments clarify that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Detailed amendments to the initial IAS text are provided. The Group estimates that the amendment will not have any material impact in the financial statements of the Company and the Group.

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

The following amendments describe the most important changes brought to the IFRS due to the results of the annual improvement program of the IASB published in December 2017. The amendments have not yet been endorsed by the E.U.

IFRS 3 "Business Combinations" and IFRS 11 "Joint Arrangements"

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

IAS 12 "Income Taxes"

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

IAS 23 "Borrowing Costs"

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

3. Summary of significant accounting policies

Basis of preparation

The current financial statements have been prepared under the going concern basis and include the separate and consolidated financial statements of the Company and the Coral Group for the year ended 31 December 2018. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the IFRIC interpretations issued by the International Accounting Standards Board (IASB) and the IFRIC Interpretation Committee respectively of IFRS (IFRIC), which have been adopted by the European Union. This is the first time that the financial statements are prepared on a consolidated basis due to the Company's intention to list its shares into a regulated market.

The financial statements have been prepared under the historical cost principle.

The preparation of the financial statements in accordance with IFRS requires the use of certain significant accounting estimates and management's judgment in the process of applying the accounting principles. It also requires the use of calculations and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting year. Although these calculations are based on management's best knowledge of current conditions and actions, actual results may ultimately differ from these calculations. Areas concerning complex transactions involving a high degree of subjectivity, or assumptions and estimates that are material to the financial statements are disclosed in Note 4.

For the preparation of the financial statements for the year ended 31 December 2018, there were utilised accounting estimates and assumptions consistent with those used in the preparation of the financial statements for the year ended 31 December 2017.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and the entities controlled by the company (its subsidiaries) at the end of the respective period. Control is achieved where the Company has the power to regulate the financial and operating policies of the business in which it participates in order to benefit from its activities. Upon acquisition, the assets and liabilities and contingent liabilities of each subsidiary are measured at their fair value at the date of the acquisition. The excess amount paid for the acquisition, from the fair value of the net equity acquired, is recognized as goodwill. If the cost of acquisition is less than the fair value of the net position acquired, then the difference is credited to the results in the year of acquisition. The accounting policies of the subsidiaries are the same and / or are adjusted to those of the parent. During the consolidation, all significant intercompany transactions, balances, profits and losses between the Group's operations are eliminated.

The Company's Board of Directors is the principal business decision-making body and controls internal financial reporting to assess the performance of the Company and of the Group and to make decisions about the allocation of resources. Management has defined the business segments based on these internal reporting in accordance with IFRS 8. For the classification per segment, the following have been taken into account:

- The nature of products and services,
- The quantitative limits set by IFRS 8.

Based on the above, the Group presents the information in a functional segment as follows:

- Trading of petroleum products.

The main part of the Group's activity by geographical area is in Greece. Sales abroad relate to activities in Cyprus and Serbia as well as exports of goods. There is no dependence on major clients as there are no transactions with an external customer amounting to 10% or more of the Group's total revenues.

Participation in associates

An associate is an enterprise in which the Company exercises significant influence, but not control or joint control, through its participation in the administrative and operational decisions of the enterprise in which it participates. The results, assets and liabilities of associates are included in these financial statements using the equity method unless the investments in these companies are classified as available for sale. Investments in associates are presented in the statement of financial position at their cost as restated with the post-acquisition changes in the Group's share of the associate's net equity less any impairment in the value of individual investments. The losses of associates companies that exceed the Group's participation in them are not recognized. Profits or losses arising from transactions between associates companies and the Group's consolidated companies are eliminated by the Group's participation in associates. The losses may be an indication of impairment of the carrying amount that is transferred, in which case the provision that is required for the impairment of the asset is formed. Investments in subsidiaries and associates are measured in the separate Financial Position Statements of the companies that are consolidated at the historical cost of acquisition and are subject to control for possible impairment.

Revenues' recognition

The Group recognizes revenue from the following major sources:

(a) Sale of oil products

Recognition

For sales of oil products to retail customers, revenue is recognized when control of the products has transferred, being at the point the customer purchases the products at the retail network of gas stations. For the majority of the retail transactions, payment of the transaction price is due immediately at the point the customer purchases the products. The Group has customer loyalty scheme for its retail customers, which is analyzed below.

The Group operates Customer Loyalty Program under the name 'Shell Smart Club'. Through the aforementioned loyalty schemes, retail customers accumulate points on purchases of oil products and/or services from the retail network of gas stations that entitle them either to get free of charge products listed on specific catalogs or to get a discount on future purchases of oil & gas products. These points provide a material right to customers in the sense that they would not be able to receive those products free of charge or get a discount on future purchases without purchasing oil products and/or services. The promise to provide those products to the customer free of charge or get a discount on future purchases is therefore a separate performance obligation. The transaction price is allocated between the oil products, the services and the points on a relative stand-alone selling price basis. The stand-alone selling price per point is estimated based on the price of the products to be given free of charge or the amount of discount to be provided on future purchases when the points are redeemed by the customer and the likelihood of redemption, as evidenced by the Group's historical experience. A contract liability is recognized for revenue relating to the loyalty points at the time of the initial sales transaction. Revenue from the loyalty points is recognized when the points are redeemed by the customer, or when the points are expired

For sales of oil & gas products to the wholesale domestic and foreign market, revenue is recognized at a point of time when control of the products has transferred to the customer, being when the products are delivered at a named placed subject to the shipping incoterm rules that are applicable according to the contractual agreement between the counterparties. Following delivery, the buyer has the ability to direct the use of, and obtain substantially all of the remaining benefits from the products either by reselling those to end customers or through internal consumption for the production of goods or the provision of services. A trade receivable is recognized by the Company and the Group when the products are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Measurement

Certain contracts with customers in the wholesale market of oil products provide volume rebates. Volume rebates give rise to variable consideration. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

To estimate the variable consideration for the expected future volume rebates, the Company and the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company and the Group then applies the requirements on constraining estimates of variable consideration and recognizes a contract liability for the expected future rebates by adjusting accordingly the amount of revenue.

In general, the period between the Company and the Group transferring a product or service and the customer paying for it is one year or less. In this context, the Company and the Group elected to apply the practical expedient of IFRS 15:63 according to which it is not required to adjust the consideration for the effects of a significant financing component. However, certain contracts that the Group has with some of its dealers contain a significant financing component in the sense that the credit term provided to them is on average 4 to 5 years, whereas the usual credit term that the Group provides to its customers in the domestic markets range from 5 to 30 days. In these cases, the

Group recognizes revenue at an amount that reflects the price that a customer would have paid cash for the products when they transfer to the customer (i.e. the cash selling price). The transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component. That rate reflects the credit characteristics of the party receiving financing in the contract, as well as any collateral or security provided by the customer.

Presentation

Trade receivables

A receivable depicts the Group’s right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of the consideration is due. The Group accounts for its receivables in accordance with IFRS 9 (please refer to Note 21).

Contract assets

A contract asset depicts the Group’s right to consideration in exchange for products or services that the Group has transferred to its customers. Whenever, the Group performs by transferring products or services to a customer before the customer pays consideration or before payment is due, the Group presents the contract as a contract asset. The Group assesses its contract assets for impairment in accordance with IFRS 9.

Contract liability

A contract liability depicts the Group’s obligation to transfer products or services to its customers for which the Group has received consideration (or an amount of consideration is due) from the customer. Whenever, a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Group transfers a product or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

(b) Fuel storage services

The Group through its fuel storage facilities provide to its customers storages services, which include the receipt, storage and distribution of fuels in accordance with the customers’ needs and directions. For the provision of the above-mentioned services, the Group collects a fee from its customers that is calculated as a charge per cubic meter of fuels received and stored in the facility.

The individual services described above (i.e.: receipt, storage and fuel distribution) are not distinct and as such all the services promised in the contracts with the Group’s customers are accounted for as a single performance obligation. Revenue from fuel storage services is recognized over time since the Group’s customers simultaneously receive and consume the benefits provided by the Group’s performance as the Group performs.

(c) Royalties in exchange for a license of trademarks

The Group enters into contracts with customers and promises to:

- grant a license that provides its customers the right to use the Group’s trade names,
- provide the right to its customers to control the use of a gas station and
- sell the Group’s products for a predetermined period of time.

The Group assessed that the promises (a) to grant a license, (b) to provide the right to use the gas station and (c) the sale of products are three distinct components. The recognition and measurement criteria for the sale of the Group’s products are in detail analyzed above under the section “Sale of Oil & Gas products”. The right to control the use of the gas station constitutes a lease-component and as such is accounted for according to the provisions of IAS 17 (please refer to Note 3).

In exchange for granting the above-mentioned license for using the Group’s trade names, the Group receives as royalty a monthly fixed fee. The consideration relating to the license is not in the form of a sale or usage-based royalty. The transaction price is allocated between the trademark license, the right to use the gas station and the products on a relative stand-alone selling price basis.

The Group concluded that the nature of its promise is to provide a right to access the Group's symbolic intellectual property. The trade names have limited standalone functionality. Substantially all of the utility inherent in the trade names granted under the license stems from the Group's past and ongoing activities of establishing, building, and maintaining its trademarks. Consequently, the license provides the customer with a right to access the Group's intellectual property and the Group's performance obligation to transfer the license is satisfied over time.

The Group recognizes revenue over time on a straight-line basis because this reasonably depicts the Group's progress towards complete satisfaction of the trademark license performance obligation.

(d) Income from interest

Interest income is recognized on a time proportion basis using the effective interest rate. When there is a write-down of receivables, their carrying amount is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted at the initial effective interest rate and allocates the discount as interest income.

(e) Dividends

The dividends are accounted as income, when the collection right is established.

(f) Income from leases

The Group recognizes operating leases on a straight-line basis over the lease term.

(g) Revenue from other services

Revenues from of services is accounted in the period in which the services are provided, based on the stage of completion of the service provided in relation to all the services provided.

Operating leases

(a) The Group as a lessee

Leases where substantially the risks and benefits of the ownership are retained by the lessor are classified as operating leases. Payments made for operating leases are recognized in the income statement in accordance with the lease agreements as it is considered to be a more representative way of recognizing those costs.

(b) The Group as a lessor

Properties leased under operating leases are included in tangible assets in the financial position statement. Rental income is recognized in accordance with the lease agreements as it is considered a more meaningful way of recognition of these revenues.

The Group leases under long-term operating leases (about 9 years minimum), spaces for gas stations which are then subleased mainly to legal entities with respective times of subleases for operation of gas stations and lubricant with the label of «Shell».

Exchange conversions

(a) Functional and presentation currency

The financial statements' items of the Group are measured using the main currency of the main economic environment in which the Group operates ("functional currency"). The financial statements are presented in Euro, which is the functional and presentation currency of the Group.

(b) Transactions and balances

Transactions in foreign currencies are translated into the operational currency at the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions during the period and from the translation of monetary items denominated in foreign currencies to the effective exchange rates at the date of the statement of financial position are recognized in the income statement.

(c) Conversion of operation abroad

The results and financial position of all Group subsidiaries that have an operational currency other than the reference currency are translated to the reference currency as follows: (i) Assets and liabilities of each balance sheet presented are translated at the date of the balance sheet date. (ii) Revenues and expenses for each income statement is translated at average exchange rates (unless average values are not a good approximation of the cumulative effect arising from the exchange rates of the day the transactions are made in which case the transactions at the date of the transaction are used). (iii) All resulting exchange differences are recognized as a separate movement in equity.

Post-employment benefits

(a) Post-employment indemnities

Post-employment benefits include defined benefit plans as well as a defined contribution plan.

The Group recognizes as an expense in the period in question the contributions paid to the defined contribution plan for the employees' provision of services during that period. Contributions to pension funds (Insurance Funds) are treated as contributions to defined contribution schemes.

The cost of staff benefits for the defined benefit plan is calculated annually using the projected unit credit method by an independent actuary at the end of each reporting period. The liability presented in the Statement of Financial Position is the present value of the defined benefit obligation.

The components of the defined benefit cost recognized in the income statement (gain or loss) are as follows:

(a) the current employee's cost of work for one additional year,

(b) the net interest on the liability resulting from the multiplication of the discount rate on the net defined benefit obligation at the beginning of the reference period,

(c) past service cost due to any changes or cuts in program data; and

(d) gains or losses arising from settlements.

Actuarial gains and losses arising from increases or decreases in the present value of the defined benefit obligation due to changes in actuarial assumptions and adjustments based on experience are recognized in Other Total Comprehensive income.

(b) Retirement benefit costs

Termination benefits are paid when employees leave before the retirement date. The Group recognizes these benefits when committed, either when it terminates the employment of employees under a detailed plan for which there is no probability of withdrawal, or when it offers these benefits as an incentive for voluntary retirement.

Taxation

The tax expense represents the sum of the current tax payable and the deferred tax, plus any additional tax from a tax audit of previous years. The tax for the current year is based on the taxable profit for the year. Taxable profit differs from the net book profit that appears in the income because it excludes income or expense that is taxed or exempt from tax in other periods and in addition excludes items that are never taxed or tax deductible. The tax is calculated according to the applicable tax rates or those that have been enacted at the date of the Statement of Financial Position. Deferred tax is recognized in the differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases that are used for the calculation of taxable profits and is accounted for using the liability method in the Statement of Financial Position. Deferred tax liabilities are recognized for all tax temporary differences whereas deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences may be used. Such receivables and payables are not recognized if temporary differences arise from goodwill or from the initial recognition (except for a business combination) of assets and liabilities from transactions that do not affect either the taxable or the accounting profits.

Deferred tax liabilities are recognized for temporary tax differences arising from investments in subsidiaries and associates and interests in joint ventures, except where the Group may control the reversal of temporary differences and it is probable that such differences will not be reversed in the projected future. Deferred tax assets are recognized for temporary tax differences arising on investments and interests only to the extent that there is likely to be sufficient taxable profits against which the benefits of temporary tax differences will be used and it is expected that they will be reversed in the foreseeable future. The carrying amount of the deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that there will be sufficient taxable profits that will allow the asset to be recovered in whole or in part.

Deferred tax is calculated using the tax rates that are expected to be in force at the time the asset is disposed of or the liability is settled. Deferred tax charges or benefits the results for the year, except for those that are directly attributable to equity, and thus deferred tax is accounted for in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax receivables with current tax liabilities and when they are related to income taxes charged by the same tax authority and in addition the Group intends to settle its current tax assets and liabilities in a net basis.

Property, Plant and Equipment

Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment. Acquisition cost includes all costs directly associated with the acquisition of assets.

Additional costs are added to the carrying amount of Property, Plant and Equipment or are recognized as a separate asset only if they are expected to generate future economic benefits to the Group and their cost can be measured reliably. Repairs and maintenance expenses are recognized in the income statement when realised.

Plots are not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life as follows:

-	Buildings	10-40	Years
-	Machinery	5-30	Years
-	Transportation means	5-20	Years
-	Furniture and other equipment	4-25	Years

The residual values and useful lives of the Property, Plant and Equipment are reassessed at regular time intervals to allow for changes in estimates to be applied in future periods.

When the carrying values of tangible assets exceed their recoverable amount, the difference (impairment) is recognized immediately as an expense in the income statement.

The cost and accumulated depreciation of an asset is written off when it is sold or withdrawn when no further economic benefits from its continued use are expected. Gains or losses on the sale of Property, Plant and Equipment are determined by the difference among the price received less their carrying amount net of the cost of selling the Property, Plant and Equipment. Gains or losses arising on sale are included in the profit or loss for the year that is sold or written off.

Intangible assets

Software

Purchased software programs are valued at cost less amortization. Amortization is calculated using the straight-line method over the useful life of those assets, which ranges from 4 to 8 years. Costs associated with the maintenance of software programs are recognized as expenses when incurred.

Rights

The "Rights" category mainly includes the intangible commercial leases paid by the Group. Amortization is calculated using the straight-line method over the useful life of those assets. Their useful life is according to the years of the lease and ranges from 1 to 20 years.

The residual values and useful lives of intangible assets are reassessed at regular intervals to allow for changes in estimates to be applied in future periods.

Inventories

Inventories are valued at the lower among acquisition cost and net realizable value. The cost is comprised of direct materials and where applicable direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined using the monthly weighted average cost method. Net realizable value is estimated on the basis of the current sales prices of inventories in the ordinary course of business less any selling expenses.

Provision for slow moving or obsolete inventories is formed if deemed necessary.

Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits and short-term up to three-month investments of high liquidation and low risk.

Share capital

The share capital includes the common shares of the Group. Common shares are included in equity.

Direct costs for the issue of shares are shown after the deduction of the relevant income tax, resulting in a reduction in the proceeds of the issue.

Loans

Interest-bearing bank loans and overdrafts are recorded at the respective amounts of the relevant withdrawals less their direct issue costs. Financial expenses, including premiums at repayment or re-purchase and direct issue costs are accounted on an accrual basis to the results using the effective interest rate method and are added to the net book value of the relevant loan or overdraft, to the extent that they are not are settled in the period that they arise.

Trade payables

Trade payables are initially recognized at fair value and subsequently measured using the amortized cost method using the effective interest rate.

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount required can be estimated reliably. Provisions are measured in the best possible estimate of the Management as to the costs incurred for the settlement of the liability.

Financial Instruments

Initial Recognition

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

Initial Measurement

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

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

Classification and Measurement of financial assets

Trade Receivables and Debt instruments

All financial assets that fall within the scope of IFRS 9 are subsequently to their initial recognition measured at amortized cost or fair value. The basis of their measurement depends both on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Group's assessment of the business model is determined at a higher level of aggregation that reflects how groups of financial assets are managed together to meet the Group's business objective, rather than on an instrument-by-instrument basis.

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

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

The Group in making its assessment of whether cash flows are going to be realized by collecting the corresponding payments over the life of the financial asset considers the frequency, value and time of sales in prior periods, the reason of those sales and the group's expectations about future sales activity. This assessment is not performed in isolation rather than the Group considers the above information as an evidence related to the Group's stated objective for managing the financial asset, particularly how cash flows are realized.

Apart from the above, the Group also considers all relevant information in performing the business model assessment, excluding scenarios that the Group does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. In performing this exercise the Group exercises judgement considering all available and relevant information such as but not limited to , how the performance of the assets is measured, monitored and reported to the Group's key management personnel, how the risks underpinning the performance of the assets are managed and how the managers of the assets are compensated.

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

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

Equity Instruments

Financial instruments that meets the definition of equity instruments as provided by IAS 32 are subsequently measured to their initial recognition at FVTPL. The Group may apply an irrevocable election to present changes in the fair value of an equity investment in OCI, provided that the equity instrument is not held for trading and it is not a contingent consideration recognized by the Group in a business combination in which IFRS 3.

The Group applies the above irrevocably election on an asset by asset basis.

Reclassifications

If the business model under which the Group holds financial assets changes because of external or internal change that are determined to be significant to the Group's operations and demonstrable to external parties. Following business model change, all the affected financial assets are reclassified. Reclassifications are expected to be very infrequent. Investments in equity instruments that the Group has made the irrevocable election of designation at

FVTOCI and any financial assets that has designated at FVTPL at their initial recognition cannot reclassified since their designation at the time of their initial recognition is irrevocable. During the current financial year, no reclassifications took place since there was not change in the business model within which the Group holds the financial assets.

Classification and Measurement of financial liabilities

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

Measurement of Impairment of Financial Assets

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

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

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

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

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

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

The Group possess collaterals as a mean of mitigating credit risk associated with its trade receivables. The main types of collateral held are:

- Cash
- Commercial and Residential real estate
- Letters of guarantees
- Letters of Credit
- Cheques

As of 31.12.2018, the Group did not hold any trade receivable for which no ECL is recognized due to the effect of any corresponding collateral held.

Central to the measurement of ECL is the definition of default. The Group considers as an event of default when the debtor is either past due more than 90 days or it is unlikely to pay its obligations to the Group due to financial difficulties.

The Group measures ECLs on a collective basis for portfolios of trade receivables with similar economic credit characteristics. In particular, the Group estimates the ECL by grouping together receivables based on common risk characteristics and past due days.

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

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

Impairment of assets non-financial assets

The book values of the non-current assets are tested for impairment purposes when events or changes in circumstances indicate that the carrying amount may not be recoverable. When the carrying amount of an asset exceeds its recoverable amount, the corresponding impairment loss is recognized in the income statement. The recoverable amount is determined as the highest value between the net selling price and the value of use. Fair value less costs of selling is the amount that can be obtained from the sale of an asset in an arm's length transaction in which the parties have full knowledge and are willing to accede after deducting any additional direct cost of disposal of the asset, while value of use is the net present value of the estimated future cash flows expected to be realized by the continuing use of an asset and the revenue expected to arise from its disposal at the end of its useful life. For the purpose of determining the impairment, assets are grouped to the lowest level for which cash flows can be separately determined.

Dividend distribution

Dividend distribution is recognized as a liability when distribution is approved by the General Meeting of Shareholders.

Financial expenses

Financial expenses are recognized in the income statement when they are realized.

Rounding of accounts

The amounts included in the Financial Statements are rounded to thousands of Euro. Differences that may exist are due to these rounding.

4. Significant accounting estimates and management's judgements

Management's estimates and judgments are continually being reviewed and are based on historical data and expectations for future events that are judged to be reasonable under the circumstances.

The Group makes estimates and assumptions about the evolution of future events. Estimates and assumptions that present a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in the next 12 months are as follows:

(a) Income tax

A judgment is required to determine the provision for income tax and deferred taxation as there are transactions and calculations for which the final determination of the tax is uncertain.

Deferred income tax is determined by the tax rates and laws that are expected to apply when deferred tax assets are incurred or deferred tax liabilities are repaid as those (future tax rates) are known at the date of the statement of financial position's preparation. Deferred tax assets are recognized to the extent that future taxable profit will be available to use the temporary difference that creates the deferred tax asset and are reviewed at each balance sheet date. Based on the above, it is obvious that the accuracy of the deferred tax assessment depends on a number of factors that are either outside the Group's control (i.e. changes in tax rates, changes in tax legislation that may affect the tax base of assets, or categories of temporary differences), or are based on forecasts for the future course of the business, which by definition represent a significant risk.

(b) Pension schemes

The present value of pension benefits is based on a number of factors determined using actuarial methods and assumptions, such as the discount rate for the calculation of the cost of service.

The Group determines the appropriate discount rate at the end of each fiscal year. This is defined as the interest rate to be used in order to determine the present value of the future cash flows that are expected to be required for the coverage of the pension plan liabilities. The discount rate used by the Group for the current year is 1.6%.

The other assumptions used are presented in note 28.

(c) Litigation cases

The Group recognizes a provision for litigation based on evidence from its Legal Service.

Other sources of uncertainty related to Management's assumptions are the estimate of the useful life of the fixed assets and the provision for doubtful clients.

5. Revenue

The analysis of revenue is as follows:

	Group		Company	
Amounts in th. €	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**
Sales of:				
Merchandise	684.293	573.588	469.649	411.071
Products	1.486.416	1.355.705	1.486.417	1.355.705
Other	11.016	9.525	(624)	(545)
Total	**2.181.726**	**1.938.818**	**1.955.441**	**1.766.231**

Sales of merchandise and products include wholesale and retail sales. Retail sales are mostly made by the subsidiaries that operate the gas station network both in Greece and abroad.

The amounts appearing in the "Other" category of the Group mainly concern revenues from services provided at gas stations. Within the account are included amounts related to the implementation of IFRS 15 regarding customer loyalty programs as well as the impact on the result due to the discounting of future long-term receivables related to trade credit that the Company grants to commercial customers.

The table below presents an analysis of revenues by geographic market (domestic - foreign) and by category of sold goods.

Amounts in th. €		**Group**		**Company**	
Geographical segment	**Category of sales**	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**
Abroad	Fuel	104.065	93.076	34.767	26.462
Abroad	Lubricants	9	9	9	9
Abroad	Chemicals	927	1.306	927	1.306
Abroad	Natural gas/LPG	154	7	-	-
Abroad	Other	851	189	178	44
	Total	106.006	94.588	35.882	27.821
Greece	Fuel	1.995.821	1.772.441	1.872.267	1.692.970
Greece	Lubricants	5.630	6.969	5.630	6.969
Greece	Chemicals	30.225	25.669	30.225	25.669
Greece	Natural gas/LPG	28.972	26.817	9.530	9.930
Greece	Other	15.071	12.335	1.908	2.873
	Total	2.075.720	1.844.231	1.919.560	1.738.410
	General Total	**2.181.726**	**1.938.818**	**1.955.441**	**1.766.231**

Activity abroad is analyzed as follows:

Amounts in th. €		**1/1/2018-31/12/2018**			
Geographical segment	**Category of sales**	**Cyprus' Activities**	**Serbia's Activities**	**Exports**	**Total**
Abroad	Fuel	66.736	4.677	32.652	104.065
Abroad	Lubricants	-	-	9	9
Abroad	Natural gas/LPG	-	154		154
Abroad	Chemicals	-	-	927	927
Abroad	Other	381	470	-	851
	Total	**67.117**	**5.301**	**33.588**	**106.006**

Amounts in th. €		**1/1/2017-31/12/2017**			
Geographical segment	**Category of sales**	**Cyprus' Activities**	**Serbia's Activities**	**Exports**	**Total**
Abroad	Fuel	67.388	90	25.597	93.076
Abroad	Lubricants	-	-	9	9
Abroad	Natural gas/LPG	-	7	-	7
Abroad	Chemicals	-	-	1.306	1.306
Abroad	Other	165	25	-	189
	Total	**67.553**	**122**	**26.912**	**94.587**

6. Expenses per category

Amounts in th. €	Note	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Benefits to employees	7	18.563	17.991	17.204	16.731
Depreciation of Property, Plant and Equipment	14	12.419	11.521	10.194	9.361
Depreciation of intangible assets	15	2.421	2.414	2.131	2.270
Expenses of repair and maintenance of tangible assets		1.877	2.563	1.181	1.633
Rental fee based on operating leases		20.251	16.289	14.855	14.020
Warehousing charges		5.566	3.474	4.852	3.177
Provision for bad debt	21	301	1.286	160	1.261
Transportation and travel expenses		20.239	24.408	19.274	20.053
Fees for sites' managers		31.256	28.462	-	-
Third parties' fees and expenses		18.506	17.318	14.014	12.489
Promotion and advertising expenses		4.748	3.811	4.314	4.321
Insurance expenses		788	705	545	512
Telecommunication expenses		1.359	499	975	467
Other taxes fees		2.656	2.626	2.032	1.973
Other expenses		14.627	14.362	7.010	6.072
Total		**155.577**	**147.729**	**98.741**	**94.340**

Allocation per operation:	1/1-31/12/2018	1/1-31/12/2017	1/1-31/12/2018	1/1-31/12/2017
Cost of sales	775	1.714	2.894	2.635
Distribution expense	141.873	134.106	85.450	81.983
Administration expenses	12.929	11.909	10.397	9.722
Total	**155.577**	**147.729**	**98.741**	**94.340**

The cost of sales for the year ended 31/12/2018 includes € 775 thousand relating to "Other expenses" according to IFRS 15 (Revenue from contracts with customers). The corresponding amount for the year 2017 was € 1,714 thousands.

In Third parties' fees and expenses are included statutory auditors' fees of € 505 thousand for the year 2018 (31.12.2017: € 381 thousand).

7. Benefits to employees

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Salaries and daily wages	11.690	11.367	10.549	10.263
Expenses of social contribution	3.303	3.078	3.150	2.940
Other employers' benefits and expenses	3.277	3.424	3.221	3.407
Pension plan cost of defined benefits	293	122	284	121
Total	**18.563**	**17.991**	**17.204**	**16.731**

8. Other operating income

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Income from rentals	979	1.856	8.129	8.610
Subsidies' income	3	42	3	42
	982	**1.898**	**8.132**	**8.652**
Revenue from contracts with customers				
Income from fuel cards' clients	529	609	529	609
Income from commercial representatives	705	731	873	884
Income of trade licences and signs	2.786	2.050	11.854	10.632
Income from transportation	833	449	975	597
Income from services rendered	3.831	2.977	4.295	3.194
Other	2.283	2.418	4.513	3.669
	10.967	**9.234**	**23.039**	**19.585**
Total	**11.949**	**11.132**	**31.171**	**28.237**

The other operating income concerns mainly the fees for storage held at the group's premises.

9. Other gain / (losses)

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Gain/ (losses) from write-off of assets	(33)	(77)	(20)	(77)
Net gain/(losses) from exchange rate difference	(229)	(1.527)	(17)	(1.505)
Other	70	1.697	(42)	1.594
Total	**(192)**	**93**	**(79)**	**12**

10. Financial expenses

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Interest of short-term loans	2.368	1.931	2.078	1.778
Interest and expenses of long-term loans	4.771	6.870	4.747	6.870
Bank commissions and related expenses	5.894	4.768	625	685
Total	**13.033**	**13.569**	**7.450**	**9.333**

11. Income from investments and participations

	Group		Company	
Amounts in th. €	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
(Gain)/Losses from associates	4.617	3.729	-	-
Gain from acquisition of participation	-	1.837	-	-
Gain/ (losses) from sale of subsidiary's portion	-	-	-	(2.365)
Total	**4.617**	**5.566**	**-**	**(2.365)**

Gain from associates of € 4.617 thousand relate to the Group's share of the financial results of the consolidated companies through equity method of "Shell & MoH SA aviation fuels" and "Petroleum Installations of Rhodes - Alexandroupolis SA".

The loss of € 2.365 thousand that appears in the results of the Company in 2017 concerns the transfer of 25% of the shares of "MEDPROFILE LTD".

	Group		Company	
Amounts in th. €	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Interest income	364	466	510	456
Dividend income	-	-	11.997	3.801
Total	**364**	**466**	**12.507**	**4.257**

Interest income includes interest earned on deposits and other cases, as well as finance income from discounted trade credit amounting to € 300 thousand for the year 2018 and € 237 thousand for the year 2017.

Dividend income for the current year arises mainly from the subsidiaries Ermis SA & Myrtea SA (€ 2,000 thousand and € 6,000 thousand respectively) as well from associate company "Shell & MoH SA aviation fuels" (€ 3,828 thousand). During the current fiscal year, the Company also received dividends from the associate company "Petroleum Installations of Rhodes - Alexandroupolis SA" (€ 169 thousand).

In the previous year, dividend income arose mainly from the associate company "Shell & MoH SA aviation fuels" (€ 3,651 thousand). During the previous year, the Company also received dividends from the associate company "Petroleum Installations of Rhodes - Alexandroupolis SA" (€ 150 thousand).

12. Income tax

	Group		Company	
Amounts in th. €	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Current corporate tax for the period	9.226	7.674	5.893	4.686
Tax audit differences from prior years	387	409	238	(227)
Business tax	220	194	14	13
Deferred tax	(206)	(2.593)	78	(1.412)
Total	**9.627**	**5.685**	**6.223**	**3.061**

Income tax for the years 2017 and 2018 is calculated with 29%.

According to new tax law 4579/2018, the tax rate for legal entities will be 28% for year 2019, 27% for year 2020, 26% for year 2021 and 25% for 202 onwards.

The income tax for the year results after been calculated on the accounting profit the following tax effects:

	Group		Company	
Amounts in th. €	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Κέρδη προ φόρων/(Ζημιές) προ φόρων	30.158	22.518	30.310	13.320
Tax calculated based on the effective tax rates	8.746	6.530	8.790	3.863
Differences from tax audits	387	409	238	(227)
Business tax	220	194	14	13
Non-deductible for tax purposes expenses	794	701	613	1.140
Income excepted from tax	(1.224)	(1.618)	(3.364)	(1.102)
Other	704	(532)	(68)	(626)
Total	**9.627**	**5.685**	**36.533**	**3.061**

13. Earnings per share

Earnings per share are calculated by dividing the net profit after tax with the weighted average number of shares of each period/year. The weighted average number of shares results by adding the current number of shares into which are divided the share capital with the potential rights that can be exercised and that the Parent company holds and by subtracting the number of treasury shares. The calculation of the basic earnings per share, is based on the following data:

	Group		Company	
Amounts in th.€	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Profit/ (losses) attributable to the shareholders of the Company	20.689	16.238	24.046	9.983
Weighted average number of common shares for the purpose of basic earnings per share	2.730.868	2.730.868	2.730.868	2.730.868
Κέρδη/(ζημιές) ανά μετοχή σε €	**7,58**	**5,95**	**8,81**	**3,66**

14. Property, Plant and Equipment

The movement of the Property, Plant and Equipment of the Group for the year 1/1/2017 – 31/12/2017 and for the year 1/1/2018 – 31/12/2018 is presented in the following table:

Group **Amounts in th.€**	**Land and buildings**	**Machinery**	**Transportation means**	**Furniture and other equipment**	**Assets under construction**	**Total**
Cost						
Balance 1 January 2017	136.933	75.625	6.724	31.114	8.545	258.941
Additions	9.388	4.363	38	2.424	9.621	25.834
Additions from subsidiary's acquisition	20.663	11.919	41	1.157	-	33.780
Retirements	(260)	(509)	-	(191)	(9)	(968)
Re-classifications	1.681	3.099	-	1.196	(5.976)	-
Balance 31 December 2017	168.405	94.497	6.803	35.700	12.181	317.585
Balance1 January 2018	168.405	94.497	6.803	35.700	12.181	317.585
Additions	6.034	5.826	301	2.034	12.721	26.916
Retirements	(54)	(41)	-	(87)	(1)	(182)
Re-classifications	3.499	4.535	1	1.212	(10.294)	(1.047)
Balance 31 December 2018	177.884	104.817	7.105	38.859	14.607	343.272
Accumulated depreciation						
Balance 1 January 2017	78.642	46.335	4.128	21.658	-	150.763
Depreciation expense	5.622	3.468	297	2.134	-	11.522
Additions from subsidiary's acquisition	12.780	6.800	41	852	-	20.473
Retirements	(194)	(478)	-	(180)	-	(853)
Balance 31 December 2017	96.850	56.125	4.466	24.464	-	181.906
Balance 1 January 2018	96.850	56.125	4.466	24.464	-	181.906
Depreciation expense	5.806	3.926	306	2.381	-	12.419
Retirements	(43)	(31)	-	(54)	-	(128)
Re-classifications	-	-	-	(4)	-	(4)
Balance 31 December 2018	102.613	60.020	4.772	26.788	-	194.193
Net book value on 31 December 2017	**71.556**	**38.371**	**2.337**	**11.236**	**12.181**	**135.680**
Net book value on 31 December 2018	**75.271**	**44.797**	**2.333**	**12.071**	**14.607**	**149.079**

The movement of fixed assets for the year 1/1/2017 – 31/12/2017 and for the year 1/1/2018 – 31/12/2018 is presented in the following table:

Company Amounts in th.€	**Land and buildings**	**Machinery**	**Transportation means**	**Furniture and other equipment**	**Assets under construction**	**Total**
Cost						
Balance 1 January 2017	136.641	75.109	5.004	29.221	8.545	254.519
Additions	7.361	3.739	-	1.526	9.614	22.240
Retirements	(260)	(509)	-	(191)	(9)	(968)
Re-classifications	1.681	3.099	-	1.196	(5.977)	-
Balance 31 December 2017	145.424	81.438	5.004	31.752	12.174	275.791
Balance 1 January 2018	145.424	81.438	5.004	31.752	12.174	275.791
Additions	5.237	4.383	-	1.599	10.735	21.954
Retirements	(54)	(41)	-	(53)	(1)	(149)
Re-classifications	3.490	4.545	1	1.711	(10.288)	(541)
Balance 31 December 2018	154.097	90.325	5.005	35.008	12.620	297.055
Accumulated depreciation						
Balance 1 January 2017	78.501	46.109	3.429	20.119	-	148.158
Depreciation expense	4.389	2.858	209	1.905	-	9.361
Retirements	(194)	(478)	-	(181)	-	(853)
Balance 31 December 2017	82.696	48.490	3.637	21.844	-	156.666
Balance 1 January 2018	82.696	48.490	3.637	21.844	-	156.666
Depreciation expense	4.499	3.327	207	2.161	-	10.194
Retirements	(43)	(31)	-	(52)	-	(125)
Balance 31 December 2018	87.152	51.786	3.844	23.953	-	166.735
Net book value on 31 December 2017	**62.728**	**32.948**	**1.366**	**9.908**	**12.174**	**119.125**
Net book value on 31 December 2018	**66.945**	**38.539**	**1.161**	**11.055**	**12.620**	**130.320**

15. Intangible assets

The intangible assets of the Group are comprised of software programs and exploitation rights of gas stations. The movement of the intangible assets of the Group for the year 1/1/2017 – 31/12/2017 and for the year 1/1/2018 – 31/12/2018 is presented in the following table:

Group **Amounts in th.€**	**Software**	**Rights**	**Total**
Cost			
Balance 1 January 2017	14.513	24.028	38.542
Additions	1.011	2	1.013
Additions from subsidiary's acquisition	631	-	631
Retirements	(448)	(650)	(1.098)
Balance 31 December 2017	15.708	23.380	39.088
Balance1 January 2018	15.708	23.380	39.088
Additions	1.043	172	1.215
Retirements	(6)	-	(6)
Re-classifications	467	580	1.047
Balance 31 December 2018	17.212	24.132	41.344
Accumulated depreciation			
Balance 1 January 2017	10.841	15.710	26.550
Depreciation expense	1.026	1.387	2.413
Additions from subsidiary's acquisition	581	-	581
Retirements	(448)	(195)	(643)
Balance 31 December 2017	12.000	16.902	28.901
Balance1 January 2018	12.000	16.902	28.901
Depreciation expense	1.105	1.316	2.421
Retirements	(3)	-	(3)
Re-classifications	-	4	4
Balance 31 December 2018	13.102	18.222	31.324
Net book value on 31 December 2017	**3.709**	**6.477**	**10.187**
Net book value on 31 December 2018	**4.110**	**5.910**	**10.020**

The intangible assets of the Company are comprised of software programs and exploitation rights of gas station. The movement of the intangible assets of the Company for the year 1/1/2017 – 31/12/2017 and for the year 1/1/2018 – 31/12/2018 is presented in the following table:

Company **Amounts in th.€**	**Software**	**Rights**	**Total**
Cost			
Balance 1 January 2017	14.094	24.028	38.122
Additions	594	-	594
Retirements	-	(650)	(650)
Balance 31 December 2017	14.688	23.378	38.066
Balance1 January 2018	14.688	23.378	38.066
Additions	392	-	392
Re-classifications	467	74	541
Balance 31 December 2018	15.547	23.452	38.999
Balance 31 December 2018			
Balance 1 January 2017	10.630	15.710	26.340
Depreciation expense	884	1.386	2.270
Retirements	-	(195)	(195)
Balance 31 December 2017	11.514	16.901	28.415
Balance1 January 2018	11.514	16.901	28.415
Depreciation expense	994	1.137	2.131
Balance 31 December 2018	12.508	18.038	30.546
Net book value on 31 December 2017	**3.174**	**6.477**	**9.651**
Net book value on 31 December 2018	**3.039**	**5.414**	**8.453**

16. Participations in subsidiaries and associates

Participations in subsidiaries and associates companies of the Group are as follows:

Name	Place of incorportation and operation	Proportion of ownership interest	Principal activity	Consolidation Method	Participation
MYRTEA SOCIATE ANONYME COMPANY OF TRADING, STORAGE, REPRESENTATION OF OIL PRODUCTS AND SERVICES' PROVISION	Greece, Marousi of Attica	100%	Petroleum products	Full	Direct
SOCIETE ANONYME COMPANY OF TRANSPORTATION EXPLOITATION TRADING OF OIL PRODUCTS AND SERVICES' PROVISION "ERMIS"	Greece, Marousi of Attica	100%	Petroleum products	Full	Direct
CORAL PRODUCTS AND TRADING SOCIATE ANONYME TRADING COMPANY OF YAGHT FUEL,LUBRICANTS,YAGHT SUPPLIES,OIL PRODUCTS,CHEMICAL PRODUCTS AND SERVICES' PROVISION	Greece, Marousi of Attica	100%	Petroleum products	Full	Direct
CORAL INNOVATIONS SOCIATE ANONYME TRADING COMPANY, DEVELOPMENT AND SOFTWARE EXPLOITATION, AND SERVICES' PROVISION OF TELECOMMUNICATION AND INTERNET	Greece, Perissos of Attica	100%	Trading and Services	Full	Direct
PETROLEUM INSTALLATIONS OF RHODES –ALEXANDROUPOLIS SA	Greece, Marousi of Attica	37,49%	Aviation fuels	Equity	Direct
SHELL & MOH SA AVIATION FUELS	Greece, Marousi of Attica	49,00%	Aviation fuels	Equity	Direct
GISSCO AE	Greece, Elliniko of Attica	24,50%	Aviation fuels	Not consolidated	Indirect
SAFCO AE	Greece, Spata of Attica	16,17%	Aviation fuels	Not consolidated	Indirect
MEDPROFILE LTD	Cyprus, Nicosia	75,00%	Holding Company	Full	Direct
CORAL ENERGY PRODUCTS (CYPRUS) LTD	Cyprus, Nicosia	75,00%	Petroleum products	Full	Indirect
MEDSYMPAN LTD	Cyprus, Nicosia	100%	Holding Company	Full	Direct
CORAL SRB DOO BEOGRAD	Serbia, Beograd	100%	Petroleum products	Full	Indirect
CORAL-FUELS DOEL SKOPJE	FYROM, skopje	100%	Petroleum products	Full	Indirect
CORAL MONTENEGRO DOO PODGORICA	Montenegro, Podgorica	100%	Petroleum products	Full	Indirect
CORAL ALBANIA SH.A.	Albania, Tirana	100%	Petroleum products	Full	Indirect

The amounts with which are expressed the values of participations in subsidiaries and associates of the Group are the following:

Amounts in th. €	Group		Company	
Company name	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
MYRTEA SOCIATE ANONYME COMPANY OF TRADING, STORAGE, REPRESENTATION OF OIL PRODUCTS AND SERVICES' PROVISION	0	0	1.179	1.179
SOCIETE ANONYME COMPANY OF TRANSPORTATION EXPLOITATION TRADING OF OIL PRODUCTS AND SERVICES' PROVISION "ERMIS"	0	0	4.739	4.739
CORAL PRODUCTS AND TRADING SOCIATE ANONYME TRADING COMPANY OF YAGHT FUEL,LUBRICANTS,YAGHT SUPPLIES,OIL PRODUCTS,CHEMICAL PRODUCTS AND SERVICES' PROVISION	0	0	3.500	3.500
CORAL INNOVATIONS SOCIATE ANONYME TRADING COMPANY, DEVELOPMENT AND SOFTWARE EXPLOITATION, AND SERVICES' PROVISION OF TELECOMMUNICATION AND INTERNET	0	0	1.500	1.500
MEDPROFILE LTD	0	0	7.096	7.096
CORAL ENERGY PRODUCTS (CYPRUS) LTD	0	0	0	0
MEDSYMPAN LTD	0	0	2.222	1.822
CORAL SRB DOO BEOGRAD	0	0	0	0
CORAL-FUELS DOEL SKOPJE	0	0	0	0
CORAL MONTENEGRO DOO PODGORICA	0	0	0	0
CORAL ALBANIA SH.A.	0	0	0	0
PETROLEUM INSTALLATIONS OF RHODES –ALEXANDROUPOLIS SA	856	877	213	213
SHELL & MOH SA AVIATION FUELS	7.413	6.851	2.802	2.802
Total	**8.269**	**7.728**	**23.251**	**22.851**

During 2018 it was completed share capital increase in subsidiaries "MEDSYMPAN Ltd" by € 400 thousand.

The summary financial data of the associates that are consolidated with the equity method is presented below:

(a) for the company PETROLEUM INSTALLATIONS PF RHODES –ALEXANDROUPOLIS SA

Amounts in th. €	**31/12/2018**	**31/12/2017**
Total assets	2.850	2.860
Total liabilities	568	522
Net assets	**2.282**	**2.338**

	31/12/2018	**31/12/2017**
Revenue	1.494	1.396
Profit for the year	**381**	**321**

(b) For the company "SHELL & MOH SOCIETE ANONYME AVIATION FUELS"

Amounts in th. €	31/12/2018	31/12/2017
Total assets	33.090	24.847
Total liabilities	17.961	10.865
Net assets	**15.129**	**13.982**

	31/12/2018	31/12/2017
Revenue	351.990	223.941
Profit for the year	**9.197**	**7.365**

17. Other financial assets

Amounts in th.€	Place of incorportation and operation	Principal activity	Proportion of ownership interest	Value of participation
HELLAS DIRECT LTD	CYPRUS	GENERAL INSURANCE COMPANY	1,16%	500
Total				**500**

18. Establishment/Acquisition of subsidiaries

CORAL ALBANIA SH.A

In October 2018, it was completed by "MEDSYMPAN LTD", 100% subsidiary of CORAL SA the establishment by 100% of "CORAL ALBANIA SH.A", based in Tirana, Albania, and share capital of € 52 thousand. The main activity of the company is the trading of petroleum products.

19. Other long-term receivables

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Rents' advances	10.392	11.108	10.392	11.108
Guarantees	1.369	927	938	922
Long-term trade credits	4.016	4.192	3.808	4.192
Long-term receivables from related parties (note 34)	453	191	453	191
Other long-term receivables	961	967	962	967
Total	**17.191**	**17.385**	**16.553**	**17.380**

Rental advances are recognized in the income statement in accordance with the lease term.

20. Inventories

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Raw materials	1.899	1.472	1.899	1.472
Finished and semi-finished	4.521	8.555	4.521	8.555
Merchandise	95.254	89.654	70.786	70.944
Total	**101.674**	**99.681**	**77.206**	**80.971**

It is noted that inventories at the end of the financial year are valued at the lower price among their acquisition cost and their net realizable value. In 2018, part of the inventories were valued at their net realizable value, thus affecting the Group's Income Statement (Cost of Sales) as follows:

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Merchandise	893	-	799	-
Total	**893**	**-**	**799**	**-**

The cost of inventories recognized as an expense in the cost of sales for the Group was in 2018 € 1,999,695 thousand and for 2017 € 1,772,759 thousand (Company: 2018 € 1,862,540 thousand and for 2017 € 1,679,717 thousand).

21. Trade and other short-term receivables

The trade and other short-term receivables of the Group are comprised mainly of receivables from sale of goods. Below is presented an analysis of trade and other short-term receivables:

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Trade receivables	63.799	65.944	54.224	52.779
Short-term trade credit	11.967	12.454	11.933	12.454
Minus: Provision for bad debt	(30.515)	(29.845)	(27.786)	(27.047)
Receivables from related parties (note 33)	5.859	5.036	28.314	32.854
	51.110	**53.589**	**66.685**	**71.040**
Current Tax Assets	29	2.294	-	2.556
Debtors	29.928	30.715	27.809	28.245
Minus: Provision for bad debtors	(2.851)	(2.140)	(2.254)	(1.725)
Receivables from related parties (note 33)	2.456	229	10.340	458
Advances	17	16	-	-
Prepaid expenses	3.008	3.011	2.210	2.380
Contractual asset	1.395	2.346	1.340	1.650
Other receivables	21.113	23.935	6.017	6.219
Total	**106.205**	**113.995**	**112.147**	**110.823**

Trade and other receivable are analysed into the following currencies:

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Euro (EUR)	97.026	101.598	107.175	105.548
Dollar (USD)	8.153	12.359	4.935	5.238
Other	1.026	38	37	37
Total	**106.205**	**113.995**	**112.147**	**110.823**

The average credit period resulting from sales of goods for the parent Company is 17 days and for the Group is 13 days while for 2017 it was 20 days and 12 days respectively. After the specified credit period interest is charged on a case-by-case basis.

The Group and the Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL since apply the IFRS 9 simplified model to estimate the ECL of trade and other receivables, classifying them either at Stage 2 or at Stage 3 and measuring lifetime ECL.

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

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributes to customers are reviewed on a permanent basis.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following tables depict the risk profile of trade receivables and other receivables based on the Group's and Company's provision matrix.

Group
Amounts in th. €

31 December 2018	**Not past due**	**0-30 days**	**30-60 days**	**60-90 days**	**90+ days**	**Total**
Expected credit loss rate	1,34%	0,93%	8,61%	9,64%	81,05%	23,91%
Estimated total gross carrying amount at default	89.579	9.452	734	351	39.455	139.571
Lifetime ECL	1.201	88	63	34	31.980	33.366
						106.205

Group
Amounts in th. €

1 January 2018	**Not past due**	**0-30 days**	**30-60 days**	**60-90 days**	**90+ days**	**Total**
Expected credit loss rate	0,49%	4,26%	7,58%	5,09%	84,65%	23,22%
carrying amount at default	98.465	4.058	2.955	1.603	38.899	145.980
Lifetime ECL	484	173	224	82	32.927	33.890
						112.090

Company **Amounts in th. €** **31 December 2018**	**Not past due**	**0-30 days**	**30-60 days**	**60-90 days**	**90+ days**	**Total**
Expected credit loss rate	0,55%	0,34%	3,57%	5,73%	80,87%	21,13%
carrying amount at default	88.210	16.083	1.205	290	36.399	142.187
Lifetime ECL	489	54	43	17	29.437	30.040
						112.147

Company **Amounts in th. €** **1 January 2018**	**Not past due**	**0-30 days**	**30-60 days**	**60-90 days**	**90+ days**	**Total**
Expected credit loss rate	0,43%	2,18%	5,89%	6,11%	83,29%	21,62%
carrying amount at default	92.107	7.399	3.626	1.255	35.208	139.595
Lifetime ECL	400	162	213	77	29.323	30.174
						109.421

As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

The change in the provision for bad debt is analyzed as follows:

Change in the provision for bad debt **Amounts in th. €**	**Group**	**Company**
Balance 1 January 2017	**28.615**	**27.522**
Provision for bad debt	1.293	1.268
Addition from acquisition of subsidiary	2.207	-
Non-utilised provision that have been reversed	(123)	(11)
Other movements	(7)	(7)
Balance 31 December 2017	**31.985**	**28.772**
Balance 1 January 2018	**31.985**	**28.772**
Effect from Accounting policy change (IFRS 9 adoption)	1.905	1.402
Adjusted Balance 1 January 2018	**33.890**	**30.174**
Provision for bad debt	301	160
Non-utilised provision that have been reversed	(825)	(294)
Balance 31 December 2018	**33.366**	**30.040**

At the Group Level the concentration of credit risk is limited due to the customers' wide base.

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model (As per IAS 39). Following the transition to IFRS 9 on 1/1/2018 Group and the Company apply the IFRS 9 simplified model to estimate the ECL of trade and other receivables, classifying them either at Stage 2 or at Stage 3 and measuring lifetime ECL.

	Group		Company	
	31/12/2018		31/12/2018	
Amounts in th. €	**Stage 2**	**Stage 3**	**Stage 2**	**Stage 3**
Expected credit loss rate	1,38%	81,05%	0,57%	80,87%
Estimated total gross carrying amount at default	100.116	39.455	105.788	36.399
Lifetime ECL	1.386	31.980	603	29.437

22. Cash and cash equivalents

Cash and cash equivalents consist of short-term deposits. The book value of cash and cash equivalents approximates their fair value.

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Cash	3.053	5.563	246	121
Deposits at bank	14.623	17.442	5.017	8.873
Total	**17.676**	**23.005**	**5.263**	**8.994**

The cash and cash equivalents of the Group are analysed in the following currencies:

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Euro (EUR)	13.769	22.005	3.617	8.023
Dollar (USD)	3.206	1.000	1.646	971
Other	701	-	-	-
Total	**17.676**	**23.005**	**5.263**	**8.994**

The line "Other" includes cash of Group companies which operating in countries whose functional currency is other than euro.

23. Share capital

The Group's share capital at 31 December 2018 and 31 December 2017 amounts to € 80,151 thousand and is divided into 2,730,868 shares of € 29.35 each.

All shares are common, registered non-listed in a stock exchange.

24. Reserves

Group Amounts in th. €	Legal reserve	Special reserves	Non-taxed reserves	Extraordinary reserves	Reserves from foreign exchange differences of translation	Total
Balance 1 January 2017	12.736	11.697	8	29	-	24.470
Transfer	214	1.808	-	-	(4)	2.018
Balance 31 December 2017	**12.950**	**13.505**	**8**	**29**	**(4)**	**26.488**
Balance 1 January 2018	12.950	13.505	8	29	(4)	26.488
Transfer	913	3.587	-	-	(1)	4.499
Balance 31 December 2018	**13.863**	**17.092**	**8**	**29**	**(5)**	**30.987**

Company Amounts in th. €	Legal reserve	Special reserves	Total
Balance 1 January 2017	11.882	11.698	23.581
Transfer	-	1.808	1.808
Balance 31 December 2017	**11.882**	**13.506**	**25.389**
Balance 1 January 2018	11.882	13.506	25.389
Transfer	661	3.587	4.248
Balance 31 December 2018	**12.543**	**17.093**	**29.637**

(a) Legal reserve

The Legal Reserve is formed in accordance with the provisions of the Greek Legislation (Law 2190/20, articles 44 and 45), in which an amount equal to at least 5% of the annual net profits (after tax) is mandatory to be transferred to the Legal Reserve until the amount of it to reach one third of the paid-up share capital. The legal reserve can be used to cover losses after a decision of the Ordinary General Meeting of Shareholders, and therefore cannot be used for any other reason.

(b) Special reserves

Special are the reserves that are formed with a specific purpose, such as the reserve for distribution of dividends to shareholders, the reserve to cover future losses from bad customers, etc. The specific determination of the reserve is determined by the institution that imposed its formation, namely by law, the general meeting of shareholders. Of course, tax legislation may also impose or permit the formation of a special reserve such as the reserve from "gain from the sale of securities".

(c) Non-taxed reserves

Non-taxed reserve under special laws

Reserves that are formed from net profits are monitored, which, according to the specific provisions of development laws, which are in force each time, are not taxed as they were used to acquire new fixed production equipment. Namely, they are formed by net profits for which no tax is calculated or paid.

Reserves from tax-exempt income and income taxed in a special way

It includes the part of the net un-distributable net profit for each fiscal year arising from tax-exempt income and from income taxed in a special way with the tax liability being exhausted.

The above reserves can be capitalized and distributed (subject to the limitations that may apply each time) by decision of the Ordinary General Meeting of Shareholders. In case of capitalization or distribution, they are subject to income tax at the current tax rate.

25. Loans

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Bank loans	74.000	155.023	67.000	147.000
Overdrafts	10.528	15.528	8.572	15.528
Corporate bond loan	90.000	-	90.000	-
Minus: Bond loan expenses	(1.369)	(489)	(1.345)	(489)
Total loans	**173.159**	**170.062**	**164.227**	**162.039**
The loans are repaid as follows:				
On demand or within one year	50.528	53.551	48.572	45.528
Within the second year	-	105.000	-	105.000
From 3 to 5 years	124.000	12.000	117.000	12.000
Minus: Bond loan expenses	(1.369)	(489)	(1.345)	(489)
Total loans	**173.159**	**170.062**	**164.227**	**162.039**

"Bond loan expenses" includes amount of € 61 thousand which is related to bond loans liabilities of next 12 months.

The Management considers that the fair value of the loans does not deviate substantially from their carrying amount.

The Group has the following bank loans:

i. **"CORAL A.E."** has signed loans as follows:

On 9/5/2018 completed the issuance of a bond loan of amount € 90,000 thousand with a 3% interest rate, that was listed and is traded in the Athens Stock Exchange. The purpose of this loan is to refinance existing loans. The loan will be repaid on 11/5/2022.

On 28/9/2015 the Company concluded a bond loan of a total amount € 120,000 thousand with interest rate equal to EURIBOR + SPREAD, its repayments are annual starting on 28/9/2017 and will be completed on 28/9/2019. The purpose of this loan is to refinance existing loans. The balance of the loan at 31/12/2018 amounts to € 25,000 thousand.

On 30/5/13 the Company received a bond loan of a total amount of € 20,000 thousand, with interest rate equal to EURIBOR + SPREAD, its repayments are six-month starting on 31/5/2016 and were to be completed on 30/11/2017.

The purpose of this loan is to refinance existing loans. The Company agreed to extend the repayment of the balance of € 12,000 thousand to 30/11/2021.

Also on 5/12/2018 2015 the Company concluded a bond loan of a total amount € 25,000 thousand, with interest rate equal to EURIBOR + SPREAD,on 28/9/2019.Its duration is 3 years and the repayment date is 5/12/2021.The purpose of this loan is to refinance existing loans. The disbursed amount of the loan in 2018 was € 15,000 thousand. This is also the balance of the loan at 31/12/2018.

Finally, the Company has received short-term borrowings of € 23,572 thousand. Amount € 8,572 thousand regards overdrafts.

The total of short-term loans (including the short-term portion of long-term loans) of up to one year is € 45,528 thousand.

ii. On 8/10/2028 **"CORAL PRODUCTS SA"** concluded a bond loan of a total amount € 12,000 thousand, with interest rate equal to EURIBOR + SPREAD. Its duration is 3 years and the repayment date is 8/10/2021. The purpose of this loan is to refinance existing loans. The disbursed amount of the loan in 2018 was € 7,000 thousand. This is also the balance of the loan at 31/12/2018.

iii. **"CORAL ENERGY PRODUCTS CYPRUS"** has received short term loan of € 1,953 thousand.

For the above, no encumbrances have been recorded on the Group's fixed assets.

The above bond loans have been taken in Euros.

26. Tax liabilities

The tax liabilities of the Group for the year 2018 amounted to € 1.260 thousand, which related to business tax of €220 thousand and income tax of €9,227 thousand deducted by the amount of the income tax advance of €8,187 thousand.

The tax liabilities of the Company for the year 2018 amounted to € 863 thousand, which related to business tax of €14 thousand and income tax of €5,893 thousand deducted by the amount of the income tax advance of €5,044 thousand.

For 2017 no tax liabilities were incurred as the amount of the income tax advance was greater than the final tax that resulted. The amount of the difference has been included in the short-term receivables Note 21.

27. Deferred taxation

The main receivables and liabilities from deferred taxation that were accounted, as well as their movements during the years 2018 and 2017 are as follows:

Group
Amounts in th. €

Deferred taxation from:	**Balance 1 January 2017**	**Debit/ (credit) in the total comprehensive income statement**	**Other changes**	**Balance 31 December 2017**	**IFRS 9 adjustment**	**Balance 1 January 2018**	**Debit/ (credit) in the total comprehensive income statement**	**Balance 31 December 2018**
Difference among tax and accounting base of the Property, Plant and Equipment	(9.121)	476	(1.481)	(10.127)	-	(10.127)	1.085	(9.042)
Foreign exchange differences	(114)	182	-	68	-	68	(46)	22
Retirement benefit obligation	1.453	453	-	1.906	-	1.906	(207)	1.699
Tax loss carried (brought) forward for settlem	99	806	-	905	-	905	83	988
Other temporary differences between the tax	4.897	676	-	5.573	553	6.126	(709)	5.417
Total	**(2.786)**	**2.593**	**(1.481)**	**(1.675)**	**553**	**(1.122)**	**206**	**(916)**

Based on the business-tax plan of the Group it is expected to arise sufficient future profit from which it will be possible to exploit the defer tax asset that has been recognised in the transferred tax losses.

Company
Amounts in th. €

Deferred taxation from:	Balance 1 January 2017	Debit/ (credit) in the total comprehensive income statement	Balance 31 December 2017	IFRS 9 adjustment	Balance 1 January 2018	Debit/ (credit) in the total comprehensive income statement	Balance 31 December 2018
Difference among tax and accounting base of the Property, Plant and Equipment	(8.932)	210	(8.722)	-	(8.722)	893	(7.829)
Foreign exchange differences	(114)	168	53	-	53	(14)	39
Retirement benefit obligation	1.453	453	1.905	-	1.905	(209)	1.696
Other temporary differences between the tax	4.451	581	5.032	407	5.439	(748)	4.691
Total	**(3.142)**	**1.411**	**(1.731)**	**407**	**(1.324)**	**(78)**	**(1.403)**

Other temporary differences among tax and accounting base mainly include deferred taxation from provisions for bad debt, from capitalized cost of debt, from discounting of trade credit and other short-term provisions.

Below it is presented the analysis of the deferred taxation balance before the offsetting for presentation purposes:

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Deferred tax liabilities:	**(10.149)**	**(10.344)**	**(8.266)**	**(8.930)**
Deferred tax assets:	**9.233**	**8.669**	**6.863**	**7.199**
Total	**(916)**	**(1.675)**	**(1.403)**	**(1.731)**

28. Retirement benefit plans

In order to calculate the Group's liabilities to its employees, regarding the future payment of benefits according to the time of their service, an actuarial study was carried out. The liability is measured and is presented at the date of the financial statements on the basis of the expected accrued right of each employee. The amount of accrued right is discounted to its present value in relation to the expected time of payment.

The Group has the obligation, according to Law 2112/20, to reimburse personnel due to retirement, in accordance with the provisions of the existing labour legislation.

The present value of the liability for retirement compensation (L. 2112/1920) and the related costs of current and provided services were calculated using the projected unit credit method by an independent actuary.

As of 1 July 2012, the Group applies a defined contribution plan according to which it pays a fixed contribution each year.

	31/12/2018	**31/12/2017**
Main assumptions utilized:		
Discount rate	1.60%	1.40%
Inflation	1.75%	1.75%
Rise of employees' compensation	1.75%	1.75%

The provision for employee benefits under the defined benefit plan as well as the obligation to compensate staff for retirement is analyzed as follows:

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Present value of obligation for termination of service	6.337	6.197	6.327	6.196
Net liability recognised in the Financial Position Statement	**6.337**	**6.197**	**6.327**	**6.196**
Short-term liabilities for staff indemnities due to retirement	120	50	120	50
Long-term liabilities for staff indemnities due to retirement	6.217	6.147	6.207	6.146
Total	**6.337**	**6.197**	**6.327**	**6.196**

The amounts recorded in the Total Comprehensive Income Statement in respect of the defined benefit plan and the liability for staff indemnities due to retirement are as follows:

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Cost of current benefits	206	52	197	51
Net interest on the liability of defined benefits	87	70	87	70
Net expense recognised in Income statement	**293**	**122**	**284**	**121**
Actuarial (Gains) / Losses recognised in other comprehensive income	(56)	953	(56)	953
Net expense / (income) recognised in the total comprehensive income	**237**	**1.075**	**228**	**1.074**

The above recognised expense is included in the operating expenses of the Group as follows:

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Administration expenses	102	31	93	30
Distribution expenses	191	91	191	91
Total	**293**	**122**	**284**	**121**

The movement in present values of the liability arising from the defined benefit plan for the retirement benefit of employees is analyzed as follows:

Amounts in th. €	Group 1/1-31/12/2018	Group 1/1-31/12/2017	Company 1/1-31/12/2018	Company 1/1-31/12/2017
Present Value of Defined Benefit Obligation at the beginning of the reporting period	6.197	5.009	6.196	5.009
Current Service Cost	185	162	175	161
Net interest expense	87	70	87	70
Actuarial (Gains)/Losses	(56)	953	(56)	953
Transfer of liability to the company	(42)	61	(41)	61
Curtailments	18	(26)	18	(26)
Benefits paid	(52)	(32)	(52)	(32)
Present Value of Defined Benefit Obligation at the end of the reporting period	**6.337**	**6.197**	**6.327**	**6.196**

The table below shows the sensitivity of the present value of the retirement obligation to a reasonable change in the discount rate of + 0.5% or -0.5%.

Sensitivity analysis for Defined Benefit Obligation	Group 31/12/2018	Group 31/12/2017	Company 31/12/2018	Company 31/12/2017
Present value of the Defined Benefit Obligation	6.337	6.197	6.327	6.196
Calculation with discount rate + 0,5%	5.598	5.425	5.590	5.425
Calculation with discount rate - 0,5%	7.223	7.124	7.210	7.124

29. Provisions

Amounts in th. €	Σημείωση	Group 31/12/2018	Group 31/12/2017	Company 31/12/2018	Company 31/12/2017
Short term litigation claims of third parties	33	565	648	565	648
Long term litigation claims of third parties	33	1.933	2.057	902	899
Total		**2.498**	**2.705**	**1.467**	**1.547**

The above items include provisions created by the Group for legal cases.

30. Trade and other payables

Trade and other payables refer mainly to purchases and operating expenses.

Amounts in th. €	Group 31/12/2018	Group 31/12/2017	Company 31/12/2018	Company 31/12/2017
Suppliers	49.696	46.640	42.627	40.321
Clients and debtors' advances	1.524	1.933	1.312	977
Amounts due to related parties (note 34)	11.290	35.539	11.195	37.140
Accrued expenses	8.513	8.854	5.742	6.519
Insurance organization and other taxes/fees	1.767	1.563	1.658	1.504
Contractual liability	1.744	1.407	1.744	1.407
Other liabilities	8.857	7.472	8.081	7.291
Σύνολο	**83.391**	**103.408**	**72.359**	**95.159**

The average credit period for the purchases is 17 days, while for 2017 it was 20 days. The Group's management estimates that the balance of operating liabilities depicted in the financial statements approximates their fair value.

Trade and other payables are analyzed in the following currencies:

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Euro (EUR)	66.797	89.900	58.626	85.661
Dollar (USD)	16.378	13.480	13.714	9.470
Other	216	28	19	28
Total	**83.391**	**103.408**	**72.359**	**95.159**

31. Other long-term liabilities

Other long-term liabilities mainly relate to guarantees received from customers in the context of the Group's business activity. In other long term liabilities is included also an amount of € 670 thousand for the year 2018 (2017: € 603 thousand) relating to liability of Group companies for retirement compensation.

32. Commitments

Capital commitments

At the date of the financial position statement there are no capital commitments.

Commitments from operating leasing– The Group as a lessee

The Group's leases mainly concern premises suitable for gas stations, which are subsequently sub-leased to the contractors-gas station operators.

They also concern areas for office- facilities rentals as well as leasing of transportation equipment.

	Group		Company	
Amounts in th. EURO	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Minimum leases from operating leases contracts that are recognised as expenses within the year	20.251	16.289	14.855	14.020

At 31/12/2018 and 31/12/2017, the Group had undertaken commitments from operating leases that are payable as follows:

	Group		Company	
Amounts in th. EURO	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Within 1 year	15.455	12.167	10.855	10.758
Within 2 up to 5 years	47.030	38.128	34.915	33.941
After 5 years	53.541	46.052	43.998	41.031

The average rental time for office-facilities and vehicles is eight and four years respectively. The corresponding tenancy time for gas stations is nine years.

Future income from operating leases– The Group as a lessor

Minimum lease payments under operating leases recognized as income for the year:

	Group		Company	
Amounts in th. EURO	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Minimum leases from contracts of operating leases that are recognised as income in the year	979	1.856	8.129	8.610

At the date of preparation of the financial statements, the Group has contracts with the lessees who will pay at least the following amounts as rent:

	Group		Company	
Amounts in th. EURO	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Within 1 year	558	432	5.949	6.097
Within 2 up to 5 years	1.823	1.660	19.817	20.840
After 5 years	446	676	24.186	23.017

The Group's leases mainly concern rental of space suitable for gas stations with average rental time of nine years.

33. Contingent liabilities / legal cases

a) Legal cases: On 31/12/2018 there are litigation claims of third parties against the Group for a total amount of approximately € 7.44 million, which concern customs cases, contingent liabilities of indirect taxes, labour issues and other liabilities related to its commercial activity of the Group. Out of the total third party claims against the Group, approximately an amount of € 3.38 million burden the old shareholder Shell under the sale agreement of the Greek Company Shell Hellas SA (now Coral SA) to the new shareholder, "Motor Oil Hellas SA" Corinth Refineries ".

Legal advisors and management estimate that the Group's final liability will amount to approximately € 2.5 million (31/12/2017: € 2.7 million). For this amount an equivalent provision has been formed.

b) A fine of € 19,664,888 was imposed with the no. 421 / V / 25.11.2008 decision of the Competition Committee against SHELL HELLAS SA (now CORAL SA) for alleged violation of articles 1, par. 1 & 2 of law 703/77 as in force, and in particular for supposed concerted practice in the trading of unleaded petrol with BP HELLAS SA during 2003.

Against this decision, the Company has filed its appeal on 22/01/2009 to the competent Athens Administrative Court of Appeal, as well as additional reasons, which were discussed on 28/09/2010. In the meantime, the Company has requested the fine to be suspended until a decision has been reached on its appeal. With no. 25/2009 decision of the President of the Administrative Court of Appeal of Athens, the application for suspension was partially accepted for an amount of € 18.000.000.

As a result, the Company paid the amount of € 1,664,888 plus € 56,606 surcharges (namely € 1,721,494 in total) on 18 March 2009, while the Shell Group lodged a letter of guarantee of € 7,000,000.

With the decision no. 1495/2011 of the Athens Administrative Court of Appeal, the above appeal of the Company was accepted in full and the 421 / V / 2008 decision of the Competition Committees and the imposed fine of € 19.664.888 was cancelled in its entirety. Both the Letter of Guarantee of € 7,000,000 and the fine of € 1,721,494 have already been repaid to the Company.

The Competition Committee has appealed against the 1495/2011 decision of the Athens Administrative Court of Appeal. The case was discussed on 25/04/2018 (after postponements) and the decision is pending.

Additionally, based on POL: 1055 published on May 12, 2010, the un-offset balance € 2,879,199 of the Company's income tax paid for the tax year 2007 that was paid in 2008 was offset by the above fine. In addition, according to POL 1161 of November 17, 2010, the debts to the Company from the heating system "Hephaestus" for the period 10-15 December 2010, amounting to € 112.080, were also offset by the fine of the Competition Committee. And these amounts have already been repaid in full to the Company with offsetting payments during 2013.

In case of a negative development of this case for the company, it should be noted that full coverage has been agreed upon by the old shareholder Shell.

The opinion of the Company's Management and legal advisors is that the final outcome of the case will be favourable to the Company.

c) The Cyprus Commission for the Protection of Competition imposed a fine of € 1,391,409 to Coral Energy Products Cyprus Ltd for violating the Cyprus competition rules due to agreements with the company's gas service providers containing conditions for direct or indirect fixing of a retail selling price of petroleum products. The fine has not been paid by the company.

The company has filed an appeal and a request for suspension. The result is uncertain due to the cancellation of the process.

In case of a negative development of this case for the company, it should be noted that has been agreed the under condition coverage by the old shareholders. Currently, the company proceeds with the appropriate legal actions that it intends to exhaust, and there is no event that removes the agreed terms of coverage from the old shareholders, with the result that it is estimated that there will be no disbursement on the part of the company.

d) For the subsidiary company Coral Products SA, the years 2015 and 2016 in which the company was inactive are considered unaudited. For the subsidiary company Coral Innovations SA, the year 2015 in which the company was inactive is considered unaudited.
For the years 2011, 2012, 2013, 2014, 2015 and 2016, the Group companies that were subject to Audit of tax compliance by statutory auditors have been audited by the elected by CL. 2190/1920, statutory auditor in accordance with article 82 of L. 2238/1994 and article 65A of Law 4717/13 and have been issued the relevant Taxation Compliance Reports. In any case and according to POL.1006 / 05.01.2016 the companies for which a Tax Compliance Report is issued are not exempted from the regular tax audit by the competent tax authorities. Therefore, the tax authorities may return and carry out their own tax audit. However, it is estimated by the Group's management that the results of such future audits by the tax authorities, if ultimately realized, will not have a significant impact on the Group's financial position.

Until the date of approval of the financial statements, the audit of tax compliance of all Group companies by the statutory auditor in the year 2017 is not completed. However, no significant additional charges are expected.

d) There are also pending claims of the Group against third parties amounting to approximately € 18.93 million.

e) At 31 December 2018, the Group has issued bank letters of guarantee of € 15.6 million approximately (31/12/2017: € 11.36m) as collateral to local customs offices where the Group has customs-controlled fuel storage facilities. Additionally, the Group has given "Letters of Good Execution Guarantee" € 4.92 million approximately (31/12/2017: € 4.75m).

The table below shows the change in the guarantees against the comparative period:

	Group		Company	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Good execution guarantees / Tenders	4.918	4.752	4.917	4.752
Customs duty Guarantees	15.601	11.363	11.201	7.863
Total	**20.519**	**16.115**	**16.118**	**12.615**

34. Transactions with related parties

The transactions presented below refer to transactions with related parties

i) Transactions

	Group		Company	
Amounts in th. €	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Sale of services and goods:				
To the parent company	22.047	14.075	22.036	14.063
To subsidiaries	-	-	981.820	834.497
To associates	1.573	1.398	1.572	1.398
To other related parties	51.125	24.836	50.907	24.675
Total	**74.745**	**40.309**	**1.056.335**	**874.633**
Purchases of services and goods:				
From the parent company	604.158	505.512	546.384	486.694
From subsidiaries	-	-	3.693	2.028
From associates	387	385	387	385
From other related parties	71.636	44.828	52.874	28.877
Total	**676.181**	**550.725**	**603.338**	**517.984**

The services from and to related parties as well as sales and purchases of goods are made in accordance with normal commercial terms. Other related parties mainly concern associates and companies in which the group's main shareholder participates and exercises significant influence.

ii) End year balances stemming from sales-purchases of goods/services

	Group		Company	
Amounts in th. €	**1/1-31/12/2018**	**1/1-31/12/2017**	**1/1-31/12/2018**	**1/1-31/12/2017**
Receivables from related parties:				
From parent company	6.105	1.469	6.097	1.469
From subsidiaries	-	-	30.372	28.048
From associates	140	160	140	160
From other related parties	2.522	3.827	2.497	3.826
Total	**8.767**	**5.456**	**39.106**	**33.503**
Liabilities to related parties:				
To parent company	6.542	33.779	4.232	32.956
To subsidiaries	-	-	3.119	2.819
To associates	150	61	150	61
To other related parties	5.268	2.301	4.364	1.906
Total	**11.960**	**36.141**	**11.865**	**37.742**

iii) Compensation of key management personnel

For the year 2018, an amount of € 3,129 thousand was paid as a management fee. The corresponding amount for the year ended December 31, 2017 was € 3,033 thousand. There is no outstanding liability to key management personnel as of 31/12/2018, nor during the comparative period.

35. Financial risk management

The Management of the Group has assessed the consequences from management of the economic risks that may arise due to the general conditions of Greece's business environment. In general as mentioned below in the management of the overall risks, it is not considered that any negative developments in the Greek economy will affect significantly the smooth operation of the Group.

Factors of financial risk

The Group is exposed to financial risks such as market risk (fluctuations in foreign exchange rates, cash flow risk and fair value from changes in interest rates and price risk), credit risk and liquidity risk. The general plan of the Group's risk management pursues to minimize any potential negative effect stemming from the volatility of the financial markets in the financial performance of the Group.

In summary, the types of financial risks that arise are analysed below.

(a) Market risk

Foreign exchange risk

The Group is mainly active in the Greek market and invoices in Euro. For foreign currency transactions, the Company is exposed to currency risk from the US Dollar. Because of this there is a risk of fluctuations in exchange rates. Also, due to the use of international platts prices in US dollars for petroleum markets, the relative US Dollar / Euro exchange rate is an important factor in the Group's profit margins. Currency risk management is conducted by maximizing natural hedging through debt obligations - receivables and inflows - outflows in US dollars.

Cash flow risk and fair value changes due to changes in interest rates

The Group has access to the domestic money market and is able to achieve competitive interest rates and borrowing terms. The risk stems mainly from the fact that the total borrowing of the Company uses floating interest rates.

At 31 December 2018, if the existing interest rates on loans were 1% higher or lower, keeping the other variables constant, the results for the Group and the Company for the year would be reduced / increased by approximately € 1.67 million and € 1.6 million, respectively.

Price risk

The Group is exposed to the risk of oil prices’ fluctuations due to stockpiling and faces this risk by regulating stocks at the lowest possible levels and setting sales prices from the daily international prices.

(b) Credit risk

Credit risk mainly relates to trade and other receivables as the Group's cash and cash equivalents are deposited to well-known banking institutions.

Group receivables are allocated to a large number of customers and therefore there is no concentration and consequently significant credit risk. The Group has contracts for trading with its customers, which stipulate that the selling price of the products will be in line with the corresponding current prices prevailing during the trading period. Also, the credit risk management department deals exclusively with the implementation of the Group's credit policy. In addition, in order to secure its receivables, the Group receives real estate’s encumbrances from its clients as well as bank guarantee letters where it is deemed necessary.

In relation to credit risk associated with the placements of cash, it is noted that the Group only cooperates with the largest financial institutions in the country with a high credit rating.

(c) Liquidity risk

The Group prepares and monitors on a monthly basis a cash flow program that includes both operating and investing cash flows.

Prudent liquidity management is achieved by the availability of an appropriate mix of cash and bank credit. The Group manages the risks that may arise from lack of sufficient liquidity by ensuring that there are always secured bank credits for use by domestic banks or through the Group from foreign banks. The existing available unutilized approved bank credits to the Company are sufficient to address any potential cash deficit.

The table below analyzes the Group's liabilities according to the time horizon from the date of the statement of financial position to the contractual maturity date. The amounts shown are for contractual obligations.

Group
Amounts in th. €

31/12/2018	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	3,95%	50.528	-	122.631	-
Trade and other liabilities		83.391	-	-	-

31/12/2017	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	5.31%	53.551	105.000	11.511	-
Trade and other liabilities		103.408	-	-	-

Company
Amounts in th. €

31/12/2018	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	3,93%	48.572	-	115.655	-
Trade and other liabilities		72.359	-	-	-

31/12/2017	Overall average interest rate	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Loans	5,33%	45.528	105.000	11.511	-
Trade and other liabilities		95.159	-	-	-

Capital risk management

The Group's objectives in relation to capital management are to ensure its ability to operate smoothly in the future and to maintain an ideal capital allocation thereby reducing capital costs. The Group's funds are judged to be satisfactory on the basis of the leverage ratio. This factor is calculated by dividing net borrowing with total capital employed. Net borrowing is accounted for as "Total loans" (including "short-term and long-term loans" as shown in the statement of financial position) minus "Cash and cash equivalents". Total capital employed is calculated as "Equity" as shown in the statement of financial position plus net borrowing.

	Όμιλος		Εταιρεία	
Amounts in th. €	**31/12/2018**	**31/12/2017**	**31/12/2018**	**31/12/2017**
Bank loans	173.159	170.062	164.227	162.039
Cash and cash equivalents	(17.676)	(23.005)	(5.263)	(8.994)
Net bank debt	**155.484**	**147.057**	**158.964**	**153.045**
Total Equity	**137.458**	**118.304**	**121.913**	**98.765**
Net bank debt over Equity	**1,13**	**1,24**	**1,30**	**1,55**

Determination of fair values

The Group does not have financial assets that are traded on active financial markets (namely derivatives, shares, bonds, mutual funds). The nominal value minus provisions for trade receivables from customers is estimated to be the fair value of these.

Trade receivables that their collection is settled interest-free in a range of time in excess of the normal credit limits are recorded at their fair value at the transaction / settlement date, with discounted future cash inflows.

The discounting practice applied by the Group consists of: at discounting at their fair value, they are submitted overdue trade receivables that are settled interest-free and the repayment term is completed in more than 12 months from the date of preparation of the financial position statement. For the discounting, the Group uses as a discount rate an interest rate determined by the prevailing interest rate for similar instruments, and in particular in the interest rate settlements to its customers.

Long-term trade credit is subject to discounting.
The nominal value of other short-term receivables minus provision for bad debts is estimated to approximate their fair value.

36. Events after the reporting period

No event has occurred that significantly affects the financial structure or business performance of the Group from 1/1/2019 until the compilation date of the present.

The annual consolidated financial statements of the Group were approved at the Board of Directors' meeting on April 17, 2019.

BoD CHAIRMAN	GENERAL MANAGER-BoD MEMBER	FINANCIAL DIRECTOR	ACCOUNTING MANAGER	FOR THE PREPARATION OF THE FINANCIAL STATEMENTS
JOHN V. VARDINOYANNIS ID No AH 567603/2009	GEORGIOS N. HATZOPOULOS ID No. AA 075307/2005	GEORGIOS D. PROTOPSALTIS ID No Σ 638117	KONSTANTINOS N. GEMELIARIS ID No AN 076436	STERGIOS A. TSIFOTOUDIS ID No AH 554729 LICENSE No 0104838/22.07.2015

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TRUE TRANSLATION FROM THE ORIGINAL IN GREEK

Independent Auditor's Report

To the Shareholders of CORAL A.E. OIL AND CHEMICALS COMPANY

<u>Report on the Audit of the Separate and Consolidated Financial Statements</u>

Opinion

We have audited the accompanying separate and consolidated financial statements of the Company CORAL A.E. OIL AND CHEMICALS COMPANY (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2018, and the separate and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company CORAL A.E. OIL AND CHEMICALS COMPANY and its subsidiaries (the Group) as of December 31, 2018, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and the consolidated financial statements of the audited year end. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter of the Company & the Group	How our audit addressed the Key audit matter
Revenue Recognition in the correct period	
Sales of products and merchandise (goods) of the Group for the year ended December 31, 2018 amounted to € 2.181.726 thousand (Company: € 1.955.441 thousand). The Group recognises revenue when the control of these goods is transferred to the client. Due to the significance of the value of sale transactions and the particularity of the terms of each contract, we consider that the revenue recognition in the correct period is a key audit matter. The Management discloses the accounting policy and further information related to revenue recognition in Notes 2, 3 & 5 of the separate and consolidated financial statements.	We performed a risk based approach and our audit included, among others, the following elements: We assessed design and implementation of the internal controls that the Management has established around the recognition of revenue in the correct period and tested, where appropriate, the operating effectiveness of these controls. We assessed whether the accounting policies and the methodology applied by Management is appropriate and complies with IFRS 15. We selected and tested a sample of transactions close to year-end (before and after), and we assessed whether revenue has been recognised appropriately in accordance with the contract terms, the delivery documents and other supporting evidence relating to these transactions.
Recoverability of trade receivables	
Trade receivables of the Group as at December 31, 2018, as analyzed in detail in Note 21 of the consolidated financial statements, amounted to € 106.205 thousand (Company: € 112.147 thousand). In the abovementioned balances, a provision for impairment of € 33.366 thousand is included (Company: € 30.040 thousand). From 1 January 2018, the Management has adopted IFRS 9, resulting in impairment charges of trade receivables being recognised when the losses are expected rather than when they have been incurred. In this context, this assessment is based on significant judgement and estimates made by the Management, considering the characteristics of transactions in petroleum market, the historical recoverability of trade receivables, the financial developments of the market as well as the guarantees and collaterals related to these trade receivables. Due to the significance of the value of the above trade receivables, and the significance of the estimates and judgments of Management, involved in the determination of the recoverable amount, we consider that the impairment assessment of trade receivables is a key audit matter.	We performed a risk based approach and our audit includes, among others, the following elements: We assessed design and implementation of the internal controls that the Management has established around the recoverability of trade receivables. We assessed whether the methodology used for the determination of the recoverable amount, has been properly applied and in accordance with the new IFRS 9 framework. With the support of our internal specialists, we assessed the appropriateness and reasonableness of significant judgments and models used, for the determination of the recoverable amount of trade receivables. On a sample basis, we tested accuracy & completeness of model data inputs used by Management. We obtained and assessed other documentation such as Board of Directors Minutes & legal letters to corroborate Management's judgments and estimates on the recoverability of trade receivables.

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Key audit matter of the Company & the Group	How our audit addressed the Key audit matter
Recoverability of trade receivables The Management discloses the accounting policy and further information related to the impairment test of the above trade receivables in Notes 2, 3 and 21 of the separate and consolidated financial statements.	

Other Information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Declaration of the Board of Directors Representatives and in any other information which is either required by Law or the Company optionally incorporated, in the required by Law 3556/2007, Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the procedures performed, we conclude that there is a material misstatement therein; we are required to communicate that matter. We have nothing to report in this respect.

Responsibilities of Management and Those Charged with Governance for the separate and consolidated financial statements

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

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

The Audit Committee (art. 44 of Law 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

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

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate 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 our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and the Group. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the audited year end and are therefore the key audit matters.

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Report on Other Legal and Regulatory Requirements

1) Board of Directors' Report

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

a) The Board of Directors' Report includes the Corporate Governance Statement which provides the information required by Article 43bb of Greek Codified Law 2190/1920.

b) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 43a and 107A and of paragraph 1 (cases c' and d') of article 43bb of Greek Codified Law 2190/1920 and its content is consistent with the accompanying financial statements for the year ended December 31, 2018.

c) Based on the knowledge we obtained during our audit about the Company CORAL A.E. OIL AND CHEMICALS COMPANY and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

2) Additional Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the additional report to the Audit Committee referred to in article 11 of EU Regulation 537/2014.

3) Non Audit Services

We have not provided to the Company and the Group any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014.

The allowed services provided to the Company and the Group, in addition to the statutory audit, during the year ended 31 December 2018 have been disclosed in Note 6 to the accompanying separate and consolidated financial statements.

4) Appointment

We were appointed as statutory auditors for the first time by the General Assembly of shareholders of the Company on 30 June 2011. Our appointment has been, since then, uninterrupted renewed by the Annual General Assembly of shareholders of the Company for 8 consecutive years.

Athens, 22 April 2019

The Certified Public Accountant

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