

NAFPAKTOS TEXTILE INDUSTRY S.A.

Nafpaktos

Company's Reg.nr. 18586/06/B/89/22

TIN: 094141030

Unified text of the Articles of Association, as it is in force after the incorporation of the amendments effected till the present day by resolutions of the General Meetings (last amendment 28.05.2014) of the Company's Shareholders.

ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ  
ΥΠΟΥΡΓΕΙΟ ΟΙΚΟΝΟΜΙΑΣ  
ΚΑΙ ΑΝΤΑΓΩΝΙΣΤΙΚΟΤΗΤΑΣ  
ΓΕΝΙΚΗ ΔΙΕΥΘΥΝΣΗ ΕΠΙΧΕΙΡΗΣΙΑΚΗΣ  
ΣΤΡΑΤΗΓΙΚΗΣ ΚΑΙ ΚΑΤΑΡΤΙΣΗΣ  
ΔΙΕΥΘΥΝΣΗ ΜΕΤΑΒΙΒΑΣΕΩΝ ΚΑΙ  
ΕΠΙΧΕΙΡΗΣΙΑΚΗΣ ΣΤΡΑΤΗΓΙΚΗΣ



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## ARTICLES OF ASSOCIATION

### CHAPTER A.

#### Establishment, Name, Registered Office, Object, Duration

##### Article 1.

##### ESTABLISHMENT - NAME

1. An SA Company is hereby established styled "KLOSTOIFANTOURGIA NAFPAKTOY A.B.E.E." ("NAFPAKTOS TEXTILE INDUSTRY SOCIETE ANONYME") with trading name "G.POLYCHRONOS S.A.".
2. With regard to its relations abroad, the Company shall use the name "NAFPAKTOS TEXTILE INDUSTRY S.A." and the trading name "G.POLYCHRONOS S.A.".

##### Article 2.

##### REGISTERED OFFICE

1. The registered office of the Company shall be in the Municipality of Pefki-Lykovrysi, Attiki and the address of its offices shall be at 40-44 Agiou Georgiou str., Post Code 15121. By resolution of the ordinary General Meeting thereof dated 17.6.2013, the company's registered office was transferred from the address in Lygia-Nafpaktos to the address of the company's branch operating at 40-44 Agiou Georgiou str., K. Pefki, Attiki, Post Code 15121.
2. The Company may establish branches, agencies and offices in any other place in Greece or abroad by resolution of the Board of Directors specifying their terms of operation.

##### Article 3.

##### DURATION

The duration of the Company shall be for fifty (50) years, commencing with the registration of the administrative decision approving the present Articles by the competent supervising authority in the Register of Corporations. The Company's duration may be extended by amendment of this article, upon resolution of the General Meeting of Shareholders in accordance with the Codified Law 2190/1920, as it is in force today.

#### Article 4.

#### OBJECT OF THE COMPANY

The object of the Company shall be:

\* The production, import, trade, sale (both wholesale and retail) of yarns, fabrics, ready clothes, textile fibers, ginned cotton and similar goods in this country and abroad.

\* The setting up, operation and representation of ginning factories, spinning factories, knitting factories, textile factories, dye-houses and other similar industrial units in this country or abroad and the participation in commercial, industrial, manufacturing or other enterprises engaged in the provision of services as well as in credit institutions or enterprises of the financial sector.

\* The purchase, processing, manufacturing, packing, production, import of agricultural products of any kind and the wholesale or retail trading of the same in Greece and abroad.

\* The setting up and operation of units engaged in the processing, manufacturing and packing of agricultural and cattle farming products and supplies of any kind in Greece and abroad and the representation of domestic and foreign firms engaged in the production and distribution of agricultural and cattle farming products.

\* The licensing, design, establishment, operation, construction together with the accompanying works and the exploitation of renewable energy sources, as such are prescribed in the each time relevant legislation, as e.g. wind, photovoltaic, solar thermal, hydroelectric stations as well as units for co-production of electric power and heat as well as electric power generation units in general. The sale of electric power, the production, trade and sale of biofuels, as such are prescribed by the each time legislation in force (e.g. bioethanol, biodiesel etc). The trade of gaseous pollutants emission rights. The provision of consultation services on the licensing, design and installation of the works described above.

\* The participation in companies with any scope of works.

#### CHAPTER B.

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## SHARE CAPITAL - SHARES – FOUNDERS' SHARES

### Article 5.

The share capital of the Company amounts to the sum of ten million two hundred forty three thousand nine hundred ninety Euros and seventy eight cents (€ 10,243,990.78) divided into eleven million five hundred ten thousand one hundred and two (11,510,102) shares of par value eighty nine cents (€ 0.89) each. The said capital was formed in the following manner:

a) Contribution of the net worth of the companies "IFANTIRIA NAFPAKTOU G.POLYCHRONOS ABEE" (1,182,924.800) and "VIOTECHNIA IFASMATON - CH. POLYCHRONOS ABEE" (89,300,000) respectively totaling 1,272,224,800 Drachmas, merged into a new company under the name "KLOSTOIFANTOURGIA NAFPAKTOU G. POLYCHRONOS ABEE" (NAFPAKTOS TEXTILE INDUSTRY S.A.) (Government Gazette 12/5.1.89 & 4482/27.12.90).

b) Increase on 21.12.91 by the amount of 47,045,600 Drachmas deriving from the capitalization of the reserve from the readjustment of the value of the mechanical equipment of the Company (art.14 of Law 1731/87) totaling 47,045,280 Drachmas and payment of 320 Drachmas in cash money for rounding purposes (Government Gazette 371/7.2.92 & 372/7.2.92).

b) Increase on 16.02.92 by the amount of 25,000,000 Drachmas paid in cash money (Government Gazette 617/28.2.92 & 618/28.2.92).

c) Increase on 13.06.93 by the amount of 186,800,000 Drachmas deriving from the capitalization of the reserve totaling 186,799,613 Drachmas and payment of 387 Drachmas in cash money for rounding purposes (Government Gazette 3822/1.7.93).

e) Increase by the amount of 387,280,000 Drachmas by resolution of the extraordinary General Meeting of the Shareholders in view of the

listing of the shares of the Company in the Athens Stock Exchange on 25.04.1995, as amended by resolution of the extraordinary General Meeting of the Shareholders on 18.11.1995.

f) Increase by the amount of 96,724,000 Drachmas by resolution of the General Meeting of 21.12.1996 (that is 46,000,000 Drachmas from the contribution of the share capital of the company "POLYCHRONOS VIOTECHNIA IFASMATON S.A." Reg.nr.15141/10/B/87/1 following its absorption in accordance with the provisions of art. 69-70 of Codified Law 2190/1920 and art. 1-5 of Law 2166/93 and 50,724,000 Drachmas from capitalization of reserves of the share premium account) and simultaneous decrease by the amount of 96,724,000 Drachmas due to confusion because the absorbed company held 483,620 shares of the Company.

g) Increase by the amount of 153,468,032 Drachmas by resolution of the General Meeting of 7.3.1998 as a result of the capitalization of : i) the surplus value of the real property of the Company totaling 148,424,926 Drachmas in accordance with Law 2065/92, as amended, and ii) the amount of 5,043,106 Drachmas from the net balance of profits carried forward.

h) Increase by the amount of 414,363,600 Drachmas paid in cash money by resolution of the first iterative extraordinary General Meeting of 17.6.1999 and issuance of 1,918,350 new shares of par value 216 Drachmas each.

i) Increase by the amount of 70,259.76 Drachmas by resolution of the General Meeting of 27.6.2002 for rounding purposes after the conversion of both the par value of the shares and the share capital into Euros.

j) Conversion of the share capital amounting to the sum of 2,510,123,044 Drachmas into 7,366,465.28 Euros and of the par value of the share from 218.08 Drachmas into 0.64 Euros in compliance with the relevant provisions of Law 2842/2000.

k) Increase by the amount of 575,505.10 Euros by resolution of the extraordinary General Meeting of 14.11.2002 as a result of the

capitalization of: i) the surplus value of the real property of the Company totaling €476,447.56 Drachmas in accordance with Law 2065/92, as amended, and ii) the amount of € 99,057.54 from the balance of the share premium account through the increase of the par value of the share from € 0.64 to € 0.69 each.

l) Increase by the amount of 805,707.14 Euros by resolution of the annual General Meeting of 23.06.2005 as a result of the capitalization of: i) the surplus value of the real property of the Company totaling € 803,437.74 Drachmas in accordance with Law 2065/92 and 3229/04, as amended, and ii) the amount of €2,269.40 from the account of the profits carried forward through the increase of the par value of the share from €0.69 to €0.76 each.

m) Increase by the amount of 1,469,313.26 Euros by resolution of the extraordinary General Meeting of 15.03.2010 as a result of the absorption of the daughter company POLARIS A.B.E.E. After the increase, the share capital amounted to the sum of 10,243,990.78 Euros divided into 11,510,102 shares of par value € 0.89 each.

#### **Article 6.**

#### **INCREASE OF THE SHARE CAPITAL**

1. The General Meeting may, by virtue of a resolution passed with the quorum and majority of art. 23, par. 4 and 25 par. 4 hereunder, increase the share capital in whole or in part through the issuance of new shares or issue a bond loan with convertible debentures.
2. The decision of the competent corporate body to increase the share capital or issue of bond loan which may be convertible into shares must mention at least the amount of the capital increase, the way it will be effected, the number and type of shares that will be issued, their nominal (par) value and subscription price and the subscription deadline. The General Meeting, which decides an increase of capital according to paras. 3 and 4 of article 29 and par. 2 of article 31 of the CL 2190/1920, may authorise the Board of Directors to decide, within a period of time set by the General Meeting which must not exceed one (1) year, on the subscription price of new shares or in the case of



issuing shares incorporating a right to receive interest the interest rate and the method of its determination. In this case, the term to pay up the capital according to article 11 of the CL 2190/1920 begins from the date of the decision of the Board of Directors, which establishes the subscription price of shares or the interest rate or the method of its determination, as the case may be.

**Article 7.**

**SHARES**

1. The shares of the Company are bearer shares and listed in the Athens Stock Exchange and therefore they are kept in dematerialized form in the records of the company "Hellenic Exchanges Holding SA"(HELEX) or as otherwise prescribed each time by the law. The shares shall be transferred pursuant to the provisions of the legislation each time in force.

2. The bearers registered with the "Hellenic Exchanges Holding SA (HELEX)" shall be recognized as shareholders of the Company. The registration of the relevant shareholder's data in the records of this company entails the acceptance of the present Articles and of the lawful decisions of the General Meeting and of the Board of Directors of the Company. As time of issuance of the shares it shall be considered the one prescribed by the law.

**Article 8.**

**SHAREHOLDER'S RIGHTS**

1. The shareholders shall exercise their rights relating to the administration of the Company only through their participation in the General Meeting.

2. Each share entitles its holder to cast one vote in the General Meeting of shareholders of the Company.

3. The shares of the Company are indivisible. In case of joint ownership, the joint owners shall be represented by only one representative thereof appointed by their common agreement. Failing appointment of a common representative such share may not be represented and the rights deriving from the share shall be

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suspended.

4. In every case of increase of share capital, which is not made through contribution in kind or issuance of bonds which are convertible to shares, a preference right is granted for the full amount of the additional capital or the bond loan, in favour of shareholders at the time of the issue in proportion to their participation in the existing share capital. Upon the expiry of the time period allowed to exercise such preference rights, which may not be less than one (1) month, any shares not undertaken in accordance with the above shall be freely disposed of by the Board of Directors. In the case that the corporate body which decided the increase of share capital has omitted to set a term for exercising the preference right, the term or its potential extension is stipulated by a decision of the Board of Directors, within the time limits provided in article. The invitation to exercise the preference right, in which the term for the exercise must be obligatorily stated, is published under the responsibility of the company in the Bulletin of the Government Gazette. the above invitation and notification regarding the term for exercising the preference right may be omitted, if the General Meeting was attended by shareholders representing the total of the share capital and who were made aware of the term for exercising the preference right, or who stated their decision to exercise or not the preference right. The publicity of the invitation may be replaced by a registered letter with receipt.

5. Under the restrictions of art. 13 para.6 & 7 of Law 2190/1920, as amended, such preference right may be suspended or cancelled by resolution of the General Meeting made in accordance with the provisions of art.29 para.3, 4 and art.31 para.2 of Codified Law 2190/1920. In order for such a decision to be taken, the Board of Directors must provide the General Meeting with a written report citing the reasons for the limitation or cancellation of the preference right and which justifies the recommended price for the issuance of the new shares. The decision of the General Meeting is subject to the publicity

formalities of article 7b of the CL 2190/1920, as it is each time in force.

**CHAPTER C.**  
**BOARD OF DIRECTORS**

**Article 9.**

**BOARD OF DIRECTORS**

1. The Company shall be managed by a Board of Directors composed of no less than three (3) and no more than eleven (11) executive and non-executive members, pursuant to the provisions of L. 3016/2002, as it is each time in force. The Board of Directors shall be elected by the General Meeting of the shareholders by an absolute majority vote of the shareholders represented therein for a five year period, commencing from the time of its election and ending at the time of the Annual General Meeting of the year of expiry of such term of office, which cannot exceed six (6) years.

2. The members of the Board may be always re-elected. If a position of a Director becomes vacant due to any reason whatsoever, the Board may elect a substitute to serve until the next General Meeting, provided that the remaining members are three (3) at least. The decision on the election is subject to the publicity formalities of article 7b and is announced by the Board of Directors at the next General Meeting, which can replace the elected members, even if no such subject has been provided in the agenda. The Board of Directors may validly meet and pass resolutions, as long as the number of its members is at least three (3). In every case, the remaining members of the Board of Directors, regardless of their number, may convene a General Meeting with the sole purpose of electing a new Board of Directors.

3. The absence of a Director from the meetings of the Board without justifiable cause for a three (3) month period shall be regarded as a resignation effective from the date of making of the relevant resolution by the Board.

4. The Directors may be recalled or substituted by the General Meeting at any time.

5. Directors are entitled to receive compensation for their attendance of the Meetings of the Board. The amount of such compensation shall be fixed by resolution of the General Shareholders' Meetings. Any other remuneration or compensation granted to a Director for any reason whatsoever, shall burden the company, only if approved by special decision of the ordinary General Meeting.

6. The provision of the previous paragraph does not apply in respect of remuneration due to members of the Board of Directors for services provided to the company on the basis of a special relationship of employment or mandate.

#### **Article 10.**

#### **POWERS OF THE BOARD OF DIRECTORS**

1. The Board of Directors is vested with the administration and management of the property as well as with the representation of the Company. The Board is empowered to resolve on all the matters relating to the business affairs of the Company, other than those reserved for the General Meeting according to law or to the present Articles. In any case the powers of the Board are subject to the reservation of art. 10 and 23a of Codified Law 2190/1920.

The acts of the Board of Directors, even those exceeding the scope of business of the Company, shall bind the Company against third parties, unless the third party knew or ought to know such, transgression. The observance of the publication formalities only as regards the Articles of the Company or its modifications shall not constitute an adequate proof. The limitations of the powers of the Board by operation of the Articles or by resolution of the General Meeting shall not be opposed against bona fide third parties even if the publication formalities have been observed.

2. The Board of Directors may, at its discretion, assign to any of its members or to any managers or employees of the Company or to third parties the exercise of powers or competencies thereof, in general or for specific acts.

3. The Board of Directors may, at its discretion, assign the

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administration and management of specific affairs of the Company to any of its members or to any managers or employees of the Company or to third parties, always within the framework of the authorization granted to them.

**Article 11.**

**REPRESENTATION OF THE COMPANY**

1. The Company shall be represented by the Board of Directors collectively with the following reservations.
2. As regards the taking of oath on behalf of the Company, the submission of criminal complaints and waiver of the same, the attendance of criminal proceedings in the capacity of the civil claimant at any stage of the procedure and waiver of the same, the submission of appeals against decisions of criminal courts and judicial councils and waiver of the same as well as in any case where the personal appearance before any courts, public prosecutor's offices or judicial authorities is required, the Company shall by resolution of the Board be lawfully represented by the Chairman of the Board or by his substitute or by another member of the Board or by his substitute or by an employee of the Company suggested by the Board.

**Article 12.**

**COMPOSITION - CONVOCATION OF THE BOARD**

1. The Board of Directors shall elect the Chairman and the Vice Chairman in the first meeting after its election by the General Meeting. The Chairman shall preside over the meetings of the Board.
2. The Board of Directors shall appoint the executive and non-executive members, except for the independent members, pursuant to the provisions of L. 3016/2002, as it is each time in force. The office of the Chairman or the Vice Chairman and that of the Managing Director may coincide in one and the same person. If the Chairman is absent or unable to act, he may be substituted in the entire extent of his duties by the Vice Chairman and the Managing Director and when they are hindered by a Director duly designated to this effect by resolution of the Board.



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3. The Board of Directors shall meet at the registered offices of the Company regularly at least once upon a month, upon invitation by the Chairman or his substitute which shall be notified to its members at least two (2) business days prior to the meeting. The invitation must also necessarily mention with clarity the agenda subjects, otherwise the decision taking is permitted only if all the members of the Board of Directors are present or represented and none of them objects thereto. Besides, extraordinary meetings of the Board shall be convened on the President's own initiative or at the request of any two (2) of its members.

4. The convocation of the Board of Directors may be requested by two (2) of its members by means of an requisition to the President or his substitute, who are obliged to convoked the meeting of the Board of Directors within seven (7) days from the submission of the requisition. The requisition must also, under the penalty of nullity, mention with clarity the issues on which the Board of Directors must deliberate. In case the Board of Directors is not convoked by the President or his substitute within the above deadline, the members who have requested that the Board be convoked are permitted to convoked the Board of Directors within a five (5) day time limit from the expiration of the above seven (7) day period, communicating the relevant invitation to the other members of the Board of Directors.

5. The Board of Directors validly meets outside its seat, either in Greece or abroad, provided that all its members are present or represented at the meeting and none of them objects to the holding of the meeting and the taking of decisions.

6. The Board of Directors may meet by teleconference. In this case, the invitation to the members of the Board of Directors includes the necessary information for their participation in the meeting, pursuant to par. 3a, art. 20 of the CL 2190/1920, as it is each time in force.

#### **Article 13.**

#### **PASSING OF RESOLUTIONS**

1. A quorum shall be present in the meeting of the Board if the half of



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the number of the Directors plus one are present or represented therein, however the number of the Directors who are personally present cannot be less than three (3).

2. The resolutions of the Board shall be made by an absolute majority vote of the Directors who are present or represented in the meeting, except in the case of art.6 para.1 hereunder.

3. Each member of the Board may represent only one of his colleagues on the basis of a written letter of authorization. The representation in the meeting of the Board cannot be assigned to persons who are not members of the Board.

#### **Article 14.**

#### **MINUTES OF THE BOARD OF DIRECTORS**

1. The discussions and resolutions of the Board of Directors are entered in the Book of Minutes duly signed by the Chairman or his substitute and the Directors who have attended the meeting. The Secretary elected by the Board is not required to be a member of the Board of Directors.

2. Copies and extracts from the Book of Minutes of the Board shall be signed by the Chairman or by his substitute, if the Chairman is absent or unable to act.

3. None of the Directors can refuse to sign the Minutes of a meeting in which he has participated, however he may demand that his opinion be recorded in the Minutes, even if it is contrary to the resolution passed in the meeting. If a director refuses to sign the minutes, a relevant mention shall be made therein.

#### **Article 15.**

#### **DIRECTORS' LIABILITY AND PROHIBITION OF COMPETITION**

1. The members of the Board of Directors shall be personally liable against the Company as regards any fault in the management of the corporate affairs in accordance with the provisions of art.22(a) and 22(b) of Law 2190/1920.

2. Each member of the Board shall be obliged to keep strictly

confidential the secrets of the Company entrusted to him in his capacity aforesaid.

3. The members of the Board are not permitted without the consent of the General Meeting to exercise as a profession for their own account or for the account of third parties any of the acts which come under the business scope of the Company in accordance with the principles of good faith and good business usages.

#### CHAPTER D.

#### GENERAL MEETING

#### Article 16.

#### POWERS OF THE GENERAL MEETING

1. The General Meeting of the shareholders is the supreme body of the Company. It has the most extensive powers to resolve on the affairs of the Company and its resolutions taken according to law are obligatory for all the shareholders, including the absent or dissenting ones.
2. The General Meeting is exclusively empowered to resolve on the following matters:
  - a) The amendments of the Articles of Association, including the increase or decrease of the share capital, with the exception of the case provided for in article 6 para.2 hereunder.
  - b) Issuance of bond loans as per art. 3a, 3b and 3c of Law 2190/1920.
  - c) Filing of lawsuits against the members of the Board of Directors for breach of duty.
  - d) Election of the members of the Board of Directors of the Company with the reservation of art.9 para.2 hereunder and fixing of their remuneration.
  - e) Election of the auditors and of their substitutes.
  - f) Approval of the annual financial statements.
  - g) Appropriation of the annual net profits and determination of dividend that will be distributed to the shareholders.
  - h) Extension of the duration, merge or dissolution of the Company before its expiry.
  - i) Appointment of liquidators.



j) Any other matter brought to the attention of the General Meeting either by the persons who are entitled to apply for the convocation of the General Meeting according to the present Articles or by the Board of Directors, in case the latter is unable or unwilling to solve a specific problem within the scope of its powers.

k) Discharge of the members of the Board and of the Auditors from any liability relating to the management.

#### **Article 17.**

#### **CONVOCAATION OF THE GENERAL MEETING**

1. The General Meeting of the shareholders shall be compulsorily convened by the Board of Directors to take place at the registered offices of the Company at least once upon a year within a six (6) month period from the expiry of the business year. The Board of Directors may also convene the extraordinary Meeting of the Shareholders at its discretion.

2. The Board of Directors is obliged to convene the General Meeting in the cases provided by the present articles or by the applicable laws.

3. The Board of Directors is obliged to convene the General Meeting at the request of the auditors or of the minority of the shareholders to take place within a 10 or 30 day period respectively from the notification of the relevant requisition to the Chairman of the Board of Directors to resolve on the matter specified in the requisition.

#### **Article 18.**

#### **PROCEDURE OF THE GENERAL MEETING**

1. The annual or extraordinary General Meeting shall be convened by the Board of Directors.

2. The convening notice of the General Meeting, other than in case of iterative meetings, shall be published at least twenty (20) full days, including holidays, before the date of the General Meeting. However, the date of the publication and the date of the General Meeting shall not count for the purpose of the present article.

3. The invitation to the General Meeting specifying at least the exact address of the building, the date and hour of the meeting, expressly the

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issues on the agenda, the shareholders that have the right to participate, as well as precise instructions on how the shareholders will be able to participate in the meeting and exercise their rights in person or by proxy or, potentially, from a distance. shall be prominently posted in the Company's registered office. For as long as the Company's shares are listed in the Stock Exchange, the invitation shall additionally mention the particulars set forth in par. 2b, art. 26 of the CL 2190/1920, as it is each time in force. The invitation shall be published as prescribed each time by the law.

4. A new invitation is not required if the initial invitation sets the place and time of the repeat Meetings provided for in the law, on condition that at least 10 full days intervene between the postponed and the repeat Meeting

5. Upon relevant resolution to that purpose of the Board of Directors and pursuant to the conditions prescribed by the law, the works of the General Meeting may be conducted also by teleconference.

**Article 19.**

**PARTICIPATION IN THE GENERAL MEETING**

**LODGING OF SHARES - REPRESENTATION**

1. Anyone who appears to be a shareholder in the records of the entity where the securities of the company are kept is entitled to participate in the General Meeting. Proving the shareholder status is effected by delivering a relevant written confirmation by the above entity or alternatively through direct electronic connection of the company to the files of the entity.

The shareholder status must exist on the beginning of the fifth day prior to the day of the General Meeting (day of registration) and the relevant written confirmation or electronic certification in relation to the shareholder status must be delivered to the company the latest the third day prior to the General Meeting. Shareholders may participate in the repeat General Meeting under the same, as above, typical requirements. The shareholder status must exist on the beginning of the



fourth day prior to the day of the repeat General Meeting (day of registration of repeat General Meetings) and the relevant written confirmation or electronic certification in relation to the shareholder status must be delivered to the company the latest the third day prior to the General Meeting.

2. The shareholders who are entitled to participate in the Annual or Extraordinary General Meeting may be represented by a person duly authorized in writing to this effect. Legal entities participate in the General Meeting by appointing as their representatives up to three (3) individuals. Minors, prohibited persons and legal entities shall be represented by their legal representatives. The appointment and revocation of a shareholder's representative shall be made in writing (by private or public document) or by sending a fax to the numbers each time designated by the invitation to the General Meeting and shall be notified to the Company, with at least the same formalities, at least three (3) days before the day appointed for holding the meeting.

3. Any shareholders who have not complied with the provisions of paragraphs 1 and 2 of the present article or with the formalities prescribed by art. 28, CL 2190/1920, as it is each time in force, may attend the business of the General Meeting only with its permission.

4. Each shareholder who attends the meeting shall sign an attendance list, which shows also the names of the attending representatives of shareholders who are legal entities, as well as the number of shares represented. The shareholders attendance list shall be attached to the minutes of the General Meeting.

#### **Article 20.**

#### **DELIVERY OF COPIES OF THE BALANCE SHEET**

Any shareholder may receive at his request from the Company the annual financial statements and the relevant reports of the Board of Directors and of the Auditors for his information ten (10) days before the date of the General Meeting.

#### **Article 21.**

## LIST OF SHAREHOLDERS ENTITLED TO VOTE

1. A list of the shareholders entitled to vote in the General Meeting must be prominently displayed in the registered office of the Company at least 48 hours before the time fixed for the General Meeting. The list must contain all the information prescribed by law, e.g. the names of the shareholders and of their representatives, if any, their respective addresses and the number of shares and votes of each shareholder.
2. Any objection against the said list must be submitted to the General Meeting before it proceeds to the discussion of the matters on the agenda, otherwise it shall be regarded as inadmissible.
3. Between the date of the publication of the invitation of the General Meeting until the date of the General Meeting they shall be posted on the company's website at least the information required by par. 3, article 27 of the CL 2190/1920, as it is each time in force. If, for technical reasons, internet access to these data is impossible, the company should indicate on its website the way to obtain the relevant forms in hard copy and sends them by mail and without cost to the shareholder requesting them

### Article 22.

#### PUBLICITY OF THE INVITATION OF GENERAL MEETING

At least twenty (20) days before the date of the General Meeting, the following must be submitted to the Supervising Authority:

- a) A certified copy of the matters on the agenda.
- b) Copies of the newspapers where the invitation to the General Meeting has been published and
- c) An Explanatory report on the matters mentioned in the invitation.

### Article 23.

#### QUORUM OF THE GENERAL MEETING

1. A quorum is present and the General Meeting may validly discuss and make resolutions if a number of shareholders representing at least 1/5 of the share capital of the Company is present or represented in the Meeting.
2. If such a quorum is not present, then an iterative General Meeting

shall take place within a period of twenty (20) days from the date of the adjourned Meeting following a ten (10) day notice. A quorum shall be present in the new meeting which may validly discuss and take resolutions regardless of the part of the share capital represented in it.

3. The resolutions of the General Meeting are made by absolute majority of the votes represented in it.

4. Exceptionally with regard to the making of resolutions on the following matters, a special quorum shall be present if at least two thirds (2/3) of the share capital paid up are represented in the General Meeting: change of the nationality of the Company, change of the scope of business of the Company, increase of the obligations of the shareholders, increase of the share capital, other than the one imposed by law provision or made by capitalization of reserves, decrease of the share capital, issuance of bond loans, change of the manner of appropriation of the net profits, merge, split, conversion, revival, shortening or extension of the duration or dissolution of the Company.

If such a quorum is not present, a first iterative meeting shall be convened in accordance with the provisions of art.2 of the present article. A quorum shall be present in the adjourned meeting which may validly discuss and make resolutions on the above matters if at least 1/2 of the share capital paid up is represented in it. If such a special quorum is not present, a second iterative meeting shall be convened to take place as aforesaid. A quorum shall be present in the adjourned meeting which may validly discuss and take resolutions on the above matters if at least one third (1/3) of the share capital paid up is represented in it. For as long as the company's shares are listed in the Stock Exchange or in any other case when a decision on the increase of the share capital is to be taken, the latest repeat General Meeting is in quorum when shareholders representing at least one fifth (1/5) of the paid up company capital are present or represented. In cases



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for which quorum is not achieved a new invitation is not required if the initial invitation sets the place and time of the repeat Meetings provided for in the law, on condition that at least 10 full days intervene between the postponed and the repeat Meeting.

6. The agenda of the iterative meetings shall be restricted to the matters of the original agenda.

7. Quorum shall be confirmed upon the commencement of the procedure. If a quorum is not present at the time the Meeting shall be adjourned.

#### **Article 24.**

#### **CHAIRMAN OF THE GENERAL MEETING**

1. The Chairman of the Board of Directors or his substitute, if the first is absent or unable to act, shall temporarily carry out the duties of the Chairman of the General Meeting. A shareholder duly assigned by the Chairman shall act as Secretary until the list of shareholders entitled to vote is ratified by the General Meeting. Upon the approval of the said list, the General Meeting shall elect the Chairman of the Meeting among its members and one or two Secretaries among the present shareholders, who shall also act as scrutineers.

2. The members of the Board of Directors cannot serve as secretaries or scrutineers.

#### **Article 25.**

#### **PASSING OF RESOLUTIONS**

1. The General Meeting shall resolve by an absolute majority of the votes represented therein.

2. The votes (other than in the cases provided by law or by these articles) shall be given by a show of hands, unless they regard the election of persons or the making of resolutions on personal matters, the votes shall be given by ballot.

3. The election of the Chairman of the General Meeting and of the scrutineers shall be effected by ballot only if requested so by shareholders representing at least 1/10 of the share capital paid up.

4. The General Meeting shall exceptionally resolve by a majority

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vote of 2/3 of the votes represented therein as regards the matters of art.23 para.4 hereunder.

**Article 26.**

**DISCUSSIONS IN THE GENERAL MEETING**

1. The discussions and resolutions of the General Meeting shall be restricted to the subjects on the agenda. Any objections against the agenda must be made upon the commencement of the procedure, otherwise they shall be inadmissible.
2. The agenda shall be drafted by the Board of Directors to include its proposals to the General Meeting as well as any proposals submitted by shareholders representing at least 1/20 of the share capital paid up or by the auditors.
3. Exceptionally it is permitted discussion on proposals for the convocation of an extraordinary General Meeting regardless of the subject or for the revocation of the Board of Directors.

**Article 27.**

**MINUTES OF THE GENERAL MEETING**

1. Minutes of proceedings at General Meetings shall be kept in a special Book of Minutes. The Minutes of the General Meeting shall be signed by the Chairman, the secretary and the scrutineers.
2. If requested so, the Chairman shall be obliged to enter a summary of the opinion of any shareholder in the Minutes. The list of shareholders who are present or represented in the General Meeting, pursuant to the provisions of article 21 hereof, shall be also entered in the Book of Minutes.
3. The Chairman of the Board of Directors of the Company or his substitute is empowered to authenticate copies of the Minutes of the General Meeting.
4. If only one shareholder is present in the General Meeting, then a Notary Public must attend the business of the General Meeting and counter-sign the Minutes.
5. A certified copy of the Minutes of the General Meeting shall be submitted to the Supervising Authority within twenty (20) days from

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the date of the General Meeting.

6. For as long as the company is listed in a regulated market, it shall publish through its website, with the care of its Board of Directors, the results of the vote within 5 days from the date of the General Meeting, specifying for every decision at least the number of shares for which valid votes were casted, the proportion of the share capital that these votes represent, the total number of valid votes as well as the number of votes for or against each decision and the number of abstentions

**Article 28.**

**DISCHARGE OF THE MEMBERS OF THE BOARD FROM ANY LIABILITY**

After the approval of the annual financial statements, the General Meeting may resolve by roll call vote to discharge the Directors and the Auditors of the Company from any liability for indemnification. The discharge shall not apply in the cases of art.22a of Codified Law 2190/1920.

**CHAPTER E.**

**AUDIT AND MINORITY RIGHTS**

**Article 29.**

**ORDINARY AUDIT**

1. The annual audit of the books, the balance sheet and the accounts of each accounting period shall be carried out, pursuant to the provisions in force, by at least one (1) chartered auditor and one (1) substitute, elected by resolution of the General Meeting, which at the same time approves of the amount of their relevant fee. The General Meeting may also elect additional auditors.

2. Within a five (5) day period from the appointment of the auditors by the General Meeting, the Company shall notify such appointment to the auditors. If they do not renounce the appointment within the next five days, they shall assume the responsibilities and obligations of art.37 and 43a of the CL 2190/1920, as amended.

3. The auditors must, during the financial year, follow up the accounting and administrative condition of the company, having the



right to access any book, account or document including the minutes of the General Meeting and the Board of Directors. They also have the obligation to make any necessary suggestion to the Board of Directors and in case of violation of the provisions of the law or the Articles of Association, they must report to the supervising Minister of Commerce. Following the end of the financial year they must audit the balance sheet and the income statement submitting to the ordinary General Meeting a report as to the conclusion of these audits. This report must determine, following an audit of the accuracy and legality of the entries in the company's books, whether the balance sheet represents the financial position of the enterprise at the end of the audited financial year, and whether the income statement corresponds to the results deriving therefrom.

4. More specifically, the auditors' report must include the following:

- \* whether they were provided with the information necessary for the carrying out of their work,
- \* whether they received a full account of the branches' activities, if such branches exists,
- \* whether there were any changes in the method of inventory-taking in comparison with the previous financial year. The auditors are responsible for any fault during the carrying out of their duties and are liable for damages to the company. The liability provided herein may not be restricted or excluded.

#### **Article 30.**

#### **MINORITY RIGHTS**

1. Following a request by the shareholders, representing the one twentieth (1/20) of the paid-up share capital, the Board of Directors must convoke an extraordinary General Shareholders Meeting, setting the date of the Meeting which must not be later than forty five (45) days from the date of service of the request to the President of the Board of Directors. The request includes the subject of the agenda. If the General Meeting is not convoked by the Board of Directors within twenty (20) days from the service of the relevant request, the

convocation is made by the requesting shareholders, as provided by par. 2, article 39 of the CL 2190/1920, as it is each time in force.

2. Following a request by a shareholder or shareholders representing the one twentieth (1/20) of the paid-up share capital, the president of the Meeting is obliged to postpone, only once, the taking of a decision by the General Meeting, ordinary or extraordinary, for all or some subjects of the agenda, setting as date on which the Meeting will continue the date set in the shareholders' request which may not be later than thirty (30) days from the date of the postponement. The General Meeting which follows a postponed one is a continuation of the previous one and the publicity formalities of the invitation of shareholders need not be repeated. New shareholders may also participate abiding to the provisions of articles 27 par. 2, 28 and 28a of the CL 2190/1920, as it is each time in force.

3. Following a request by the shareholders representing the one twentieth (1/20) of the paid-up share capital, the Board of Directors must include in the agenda of the General Meeting which has already been convoked, any additional subjects, if the relevant request is communicated to the Board of Directors at least fifteen (15) days before the General Meeting. The additional subjects should be published or notified, care of the Board of Directors, according to article 26 of the CL 2190/1920, seven (7) at least days before the general Meeting. the request to include additional items on the agenda is accompanied by a justification or by a draft decision to be approved by the General Meeting and the revised agenda is published in the same manner as the previous agenda, thirteen (13) days before the date of the General Meeting and at the same time is placed at the shareholders disposal on the company website along with the justification or the draft decision that has been submitted by the shareholders as foreseen in art. 27 par. 3, of the CL 2190/1920, as it is each time in force.

4. For as long as the company is listed in the Stock Market, following a request of the shareholders, representing the one twentieth (1/20) of the paid-up share capital, the Board of Directors places at the

shareholders disposal as stipulated in article 27 par. 3 of the CL 2190/1920 at least six (6) days before the date of the General Meeting draft decisions for the items that have been included in the initial or the revised agenda, if the Board of Directors receives the relevant request at least seven (7) days before the date of the General Meeting.

The Board of Directors is not obliged to proceed with the inclusion of subjects in the agenda or to publication or notification of the subjects along with the justification or the draft decisions submitted by the shareholders, if their content is contrary to the law and to bonos mores

5. Following a request by the shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors must:

- \* announce to the General Meeting, provided that it is an ordinary General Meeting, the amounts which during the last two years were paid to each member of the Board of Directors or the managers of the company, as well as any benefit to these persons for any reason or any contract between them and the company.

- \* submit to the General Meeting the specific information requested with respect to the company matters, to the extent that these are useful for the actual assessment of the subjects of the agenda.

The Board of Directors may decline to provide information if a very significant reason exists which must be mentioned in the minutes.

6. Following a request by the shareholders representing one fifth (1/5) of the paid-up share capital which is submitted to the company within the deadline of the previous paragraph, and as long as these shareholders are not represented in the Board of Directors, the Board of Directors must provide to them during General Meeting, or if it prefers so before the meeting to a representative thereof, information about the course of the company matters and the financial situation of the company. The Board of Directors may decline to provide information if a very significant reason exists which must be mentioned in the minutes.

7. In the cases of the second section of paras. 5 and 6 of the present article, any dispute as to the validity of the reasoning on which the

refusal to provide the information was based is resolved by the Single-Member Court of First Instance of the district where the company has its registered seat, by a decision which is taken following the procedure of interim measures. By the same decision, the Court orders the company to provide the information which it declined to provide.

8. Following a request by shareholders representing the one twentieth (1/20) of the paid-up share capital, the decision on any subject of the agenda of the General Meeting is taken by roll-call vote.

9. Shareholders representing at least 1/20 of the share capital paid up are entitled to apply for an audit by order of the competent Court of the district where the legal seat of the Company is situated, if it is presumed that the provisions of Law or of the present Articles or of the resolutions of the General Meeting have been violated. In any case the denunciation should take place within a 2 year period from the approval of the financial statements of the business year in which the denounced acts have taken place.

10. Shareholders of the company representing one fifth (1/5) of the paid-up share capital, have the right to petition the Court of the preceding paragraph requesting the audit of the company, if from the overall track record it is credible to believe that the management is not exercised according to the rules of good and prudent management. This provision may not apply if the minority exercising this right is represented in the Board of Directors.

11. In all cases of the present article the requesting shareholders must prove their shareholder's status and the number of shares that they own when they exercise the relevant right. The deposit of the shares according to article 28 or in the case of companies with shares listed on a Stock Exchange, the delivery of a confirmation by the entity holding the relevant securities or a certification of the status of a shareholder through a direct electronic connection between the entity and the company, is also considered as proof.

12. The Board of Directors can issue one answer to requests of shareholders with the same content. There is no obligation to provide

information when the relevant information is already provided through the company website, especially under the form of questions and answers.

## CHAPTER F.

### ANNUAL FINANCIAL STATEMENTS – PROFITS AND LOSSES

#### Article 31.

##### ACCOUNTING PERIOD

The accounting period shall last 12 months commencing from the 1st of January and ending on the 31st of December of every calendar year. Exceptionally, the first business year shall commence at the time of incorporation of the company and shall end on the 31<sup>st</sup> of December of the year 1990.

#### Article 32.

##### ANNUAL ACCOUNTS

###### (Annual financial statements and publication of same)

1. At the end of the accounting period, the Board of Directors shall prepare the annual financial statements and the management report, according to the provisions of art. 42a, 42b, 42c, 42d, 42e, 43, 43a, 43b, 111 and 112 of the Codified Law 2190/1920. The annual financial statements must give a clear and precise view of the property structure and financial position of the Company. Specifically, the Board of Directors is obliged to draw up pursuant to the above provisions:

- a) the balance sheet,
- b) the “income statement”,
- c) the “profit distribution table” and
- d) the supplement.

2. Before the annual financial statements are validly approved by the General Meeting, they should have been audited by the auditors of the Company and especially seen by:

- a) The Managing Director or an authorized Director or in case there is no such, by a member of the Board especially appointed to that purpose;
- b) the General Manager of the Company; and

c) the Head of the Accounts Department.

If the above disagree as to the manner of preparation of the annual financial statements, they must submit in writing their objections to the General Meeting.

3. The management report of the Board of Directors addressed to the General Meeting must provide a clear and precise view of the progress of the works and of the financial position of the Company, as well as the information relating to the anticipated course of the Company and its activities in the field of research and development, and the information specified in art. 43a, para.3b of the Codified Law 2190/1920. The report must also mention any other important events occurred during the time period from the expiry of the accounting period till the time of submission of the report.

4. The annual financial statements are subject to the publication formalities of art.43b para. 1 and 5 of the Codified Law 2190/1920 in the form and content on the basis of which the auditors have drafted their report. If the auditors have any remarks or refuse to express their opinion, this fact shall be mentioned and reasoned in the published financial statements, unless it becomes apparent from the published relevant certificate of audit.

5. Copies of the annual financial statements with the relevant reports of the Board and of the auditors shall be submitted by the Company to the competent Supervising Authority at least 20 days before the date of the General Meeting.

6. The balance sheet, the income statement and the profit distribution table, together with the relevant certificate of audit, if audit is provided by Chartered Auditors, shall be published in the manner described in paragraph 7 below.

7. The Board shall publish the documents of paragraph 6 above at least twenty (20) days before the date of the General Meeting as follows:

a) In a daily political newspaper satisfying the requirements of art.3 of L. Decree 3757/1957, as amended, chosen among those published in Athens and distributed in all over the country, at the discretion of the

Board.

b) In a daily financial journal satisfying the requirements of art.26 para.2 of the Codified Law 2190/ 1920, and

c) In the Government Gazette (Issue of SA and Limited Liability Companies) in accordance with art.7b para. 1b of the Codified Law 2190/1920.

If the Company's registered office is outside the limits of the Municipality of Athens, the documents of paragraph 6 shall be compulsorily published in a daily newspaper of the district of the Company's registered office. If no such newspaper is published there, the publication shall be effected in a weekly or fortnightly newspaper of the district of the Company's registered office.

8. Within a twenty (20) day period from the approval of the annual financial statements by the General Meeting, a copy of the approved financial statements together with a certified copy of the Minutes of the General Meeting provided for in art.26a para.2 of Law 2190/1920 shall be submitted to the competent Supervising Authority.

### **Article 33.**

#### **APPROPRIATION OF NET PROFITS**

1. With the reservation of the provisions of art.44a of the Codified Law 2190/1920, the appropriation of the net profits of the Company shall be effected as follows:

a) An amount of at least 1/20 of the net profits shall be deducted to form the ordinary reserve fund prescribed by law. This deduction shall not obligatory if the legal reserve amounts to one third (1/3) at least of the share capital.

b) A first dividend of at least 6% of the share capital paid up shall be distributed among the shareholders with the reservation of the provisions of art.45 of L.2190/1920, in combination with the provisions of art. 1 of Law 876/1979.

c) The General Meeting shall freely disposed of the balance.

2. The shareholders shall participate in the net profits after the approval of the annual accounts (annual financial statements) by the

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General Meeting. The approved dividends shall be paid to them within two months from the date of the resolution of the General Meeting which approved the annual financial statements.

## **CHAPTER G.**

### **DISSOLUTION AND LIQUIDATION**

#### **Article 34**

##### **REASONS FOR DISSOLUTION OF THE COMPANY**

1. The Company shall be ipso jure dissolved:
  - a) Upon expiry of its duration mentioned in article 3 hereunder, unless the General Meeting has decided to extend the same.
  - b) If the Company is declared bankrupt.
  - c) If the operation license of the Company granted by the Supervising Authority is lawfully revoked.
2. The Company may be dissolved at any time by resolution of the General Meeting passed in accordance with art. 23 para. 4 hereunder.
3. In case of concentration of all the shares of the Company in one only person, this cannot be a sufficient reason for the dissolution of the Company.
4. In case the total of the own funds of the Company as defined in the pattern of the balance sheet given in art.42c of Law 2190/1920 falls below the half (1/2) of the share capital, the Board of Directors shall be obliged to convene the General Meeting of the shareholders within a six (6) month period from the end of the respective business year in order to resolve either to dissolve the Company or to adopt any other adequate measures.

#### **Article 35.**

##### **LIQUIDATION**

1. Except in the case of bankruptcy, the dissolution of the Company shall be followed by the liquidation thereof. In the case of art.34 para. 1(a) hereunder, the Board shall carry out the duties of the liquidator until liquidators are appointed by the General Meeting. The liquidators appointed by the General Meeting may be no less than two but no more than four (2 to 4), shareholders or not, and shall exercise during the



- period of liquidation all the powers of the Board of Directors, relevant to the procedure and the object of liquidation, in accordance with the resolutions of the General Meeting.
2. The appointment of the liquidators ipso jure entails termination of the powers of the Board and of the Auditors. The provisions of these Articles that apply for the Board of Directors shall apply mutatis mutandis for the liquidators. The discussions and resolutions of the liquidators shall be entered in summary in the book of minutes of the Board of Directors.
  3. When the liquidators appointed by the General Meeting assume their duties, they shall be obliged to carry out an inventory of the Company's assets and publish a balance sheet in the press as well as in the Government Gazette (Issue of SA and Limited Liability Companies). A copy of this balance sheet must be submitted to the competent Supervising Authority. The liquidators shall be also obliged to do so at the end of the liquidation.
  4. The General Meeting of the shareholders shall reserve all its powers for as long as the liquidation lasts.
  5. The liquidators must conclude, without any delay, any pending matters of the company, liquidate its assets, pay its debts and collect its claims. They can also perform new acts if, such acts serve the process of liquidation and the interest of the company. The liquidators may also sell the real estate property of the company, the business of the company as a whole or sections thereof or individual tangible assets of it, but only after four (4) months from its dissolution. Within this deadline of four (4) months from the dissolution of the company every shareholder or even a creditor of the company may ask the Single-Member Court of First Instance of the registered seat of the company, which hears the case following the procedure of articles 739 *et seq.* of the Code of Civil Procedure, to determine the lowest price of sale for such real estate, sectors or parts or the whole of the company, such decision being binding on the liquidators and not subject to any ordinary or extraordinary appeals.

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6. The annual financial statements as well as the financial statements at the end of the liquidation procedure must be approved by the General Meeting. Every year the results of the liquidation are submitted to the General Meeting accompanied by a report on the reasons for which the liquidation was not finished. After the conclusion of the liquidation procedure the liquidators draw up the final financial statements, which are published in the Government Gazette (Bulletin of SA and Limited Liability Companies), return to the shareholders their contributions and distribute the balance of the proceeds from the liquidation of the company's assets to the shareholders, pro rata to their participation in the paid-up share capital.

7. If the liquidation stage exceeds five years, the liquidator must convene a General Meeting, to which a plan for the acceleration and conclusion of the liquidation is submitted. The plan includes an up to date report on the process of the liquidation, the causes for the delay and the measures proposed for its fast conclusion. These measures may include the waiver of company rights, the resignation from court actions, documents or petitions, if their pursuit would be unprofitable compared to the expected benefits or uncertain or requires a long period of time. The above measures may also include compromises, renegotiations or the termination of contracts or even execution of new ones. The General Meeting approves the plan by the quorum and majority of par. 3 and 4 of article 29 and par. 2 of article 31 of the CL 2190/1920 as it is in force. If the plan is approved, the liquidator completes the procedure in accordance with the provisions of the plan. If the plan is not approved, the liquidator or shareholders representing one twentieth ( $1/20$ ) of the paid up share capital may ask for its approval by the Single-Member Court of First Instance of the registered seat of the company, by a petition which is heard by the court in accordance with the ex parte procedure. The court may amend the measures provided for in the plan, but can not add any measures which are not provided in it. The liquidator is not liable for the

carrying out of a plan which was approved in accordance with the above.

**CHAPTER H.  
GENERAL PROVISION**

**Article 36.**

As regards any matters not regulated by the present Articles, the provisions of the Codified Law 2190/1920, as amended, shall apply accordingly.

**CHAPTER I.  
FINAL PROVISIONS**

**Article 37.**

**COVERAGE OF SHARE CAPITAL**

1. The payment of the share capital mentioned in article 5 amounting to the sum of 1,272,225,000 Drachmas is effected through the contribution and merger of the property (assets and liabilities) of the companies "IFANTIRIA NAFPAKTOU GEORGIOS POLYCHRONOS A.B.E.E." and "VIOTECHNIA IFASMATON CH. POLYCHRONOS A.B.E.E." based in Nafpaktos, as per appraisal reports dated 2.12.1988 of the experts committee of art. 71 of Codified Law 2190/1920, drafted in accordance with the provisions of art.9 of Codified Law 2190/1920, from which appraisals, after the deduction of the liabilities and taking into consideration the Minutes nr.1/5.1.1989 of the Extraordinary General Meeting of the Shareholders of the Company, it appears that the net worth capitalized for the formation of the share capital of this Company amounts to the sum of one billion two hundred seventy two million two hundred twenty five thousand Drachms (1,272,225,000) totally, of which one billion one hundred eighty two million nine hundred twenty five thousand (1,182,925,000) Drachmas correspond to the net worth of the merged company under the name "IFANTIRIA NAFPAKTOU GEORGIOS POLYCHRONOS A.B.E.E" and eighty nine million three hundred thousand (89,300,000) Drachmas correspond to the to the net worth of the merged company under the name "VIOTECHNIA YFASMATON CH. POLYCHRONOS A.B.E.E".

As aforementioned, the value of the said contribution in kind (paragraph 1 of the present article) that is the net worth of the merged companies under the names "IFANTIRIA NAFPAKTOU GEORGIOS POLYCHRONOS A.B.E.E." and "VIOTECHNIA IFASMATON CH. POLYCHRONOS A.B.E.E." existing on 30 September 1988 were appraised by the experts committee of art.9 of Codified Law 2190/1920.

The reports of the Experts Committee forwarded to the merged companies by virtue of the document nr.EM3079/14.12.1988 of the Prefecture of Etolia & Akarnania (Department of Commerce) read as follows:

I. Messolongi, 2 December 1988

To:

The General Meetings of the Shareholders of the Companies:

a) "IFANTIRIA NAFPAKTOU GEORGIOS POLYCHRONOS  
A.B.E.E."

b) "VIOTECHNIA IFASMATON CH. POLYCHRONOS  
A.B.E.E."

Lygia, Nafpaktos.

Via

The Prefecture of Aitoloakarnania  
Department of Commerce  
Messolongi

APPRAISALS REPORT

Of the Assets and Liabilities of the Companies:

a) "IFANTIRIA NAFPAKTOU GEORGIOS POLYCHRONOS  
A.B.E.E."

b) "VIOTECHNIA IFASMATON CH. POLYCHRONOS  
A.B.E.E."

on the basis of the balance sheets dated 30 September 1988. In pursuance to the decisions nr.EM-2706/7.11.88 and EM-2744/ 7.11.88 of the Prefecture of Aitoloakarnania, Department of Commerce, we, the undersigned:

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- 1) Theodoros Tsamis, Head of the Department of Commerce of Aitoloakarnania,
- 2) Konstantinos Karagiannis, employee of the same Authority,
- 3) Vasileios Tsolis, representative of the Chamber of Aitoloakarnania,

comprising the Committee of art.9 of Law 2190/1920, carried out a local inspection of the property assets and of the accounting books and other records of the said company on the basis of the balance sheet of 30.9.1988 in order to ascertain the net worth of the above, before they are merged in accordance with art.68-79 of Codified Law 2190/1920, as amended by P.Decree 409/86 and 498/87 and determine the exchange ratio of their shares to those of the new Company which is to be established. As regards the findings below the Committee took into consideration the draft of contract dated 29.9.1988 regarding the merger of the said companies, which was lawfully published.

Below we set out separately the appraisal of the property assets of each company on the basis of the balance sheet dated 30 September 1988 and our findings are as follows:

APPRAISAL OF THE COMPANY "IFANTIRIA NAFPAKTQU  
GEORGIOS POLYCHRONOS A.B.E.E."

The Company was established by virtue of the deed of incorporation nr.10894/27.12.1985 of the Notary Public of Athens Ms.Sofia Theof. Krousoula - Panagaki published in the Govt. Gazette nr.57/07.01.1986 (Issue of Corporations and Limited Liability Companies), having as scope of business the production and trade of textiles, ready clothes and shirts, the establishment and operation of spinning factories. The legal seat of the Company is in the Municipality of Nafpaktos, where is the factory and the offices we visited for inspection. The property assets of the Company with date of inventory 30.9.88 appear in the Book of Inventories and Balance Sheets (pages 66-98) duly seen by the Tax Office of Nafpaktos under nr.43/ 09.01.1986, followed by the balance sheet of 30.9.1988 (pages 100-105).

ASSETS.

## A. FIXED ASSETS

### a) TEXTILE FACTORY

#### 1. FIELDS (page 66)

(i) A plot of total area 22,374.87 sq.meters located in the place known as Lygia within the district of the Municipality of Nafpaktos, devolved upon the Company by virtue of the notarized deed nr.10894/27.12.1985 of the of the Notary Public of Athens Ms.Sofia Theof.Krousoula - Panagaki. The said plot is described in detail in the survey plan of the Architect-Engineer Mr.Nikolaos Vasilopoulos. The Committee taking into consideration the prices of sale of similar plots in the area appraises its value to the amount of: Drs.45,000,000

(ii) A plot of total area 2,560 sq.meters located in the place known as Pelika or Psalidi within the district of the Municipality of Pefki, Attica, devolved upon the Company by virtue of the notarized deed nr.10894/27.12.1985 of the of the Notary Public of Athens Ms.Sofia Theof.Krousoula— Panagaki. The said plot is described in detail in the survey plan of the Civil Engineer Mr.G.Tzeremes. On the basis of the objective value assessment system, the Committee appraises its value to the amount of: Drs.26,000,000

#### 2. INDUSTRIAL FACILITIES L.D.I078/71 (Page 66)

Basement measuring 276.50 sq.meters and two ground floor buildings of total area 2,873 sq.meters. The Committee taking into consideration the technical report of the Civil Engineer, the kind of construction, the cost of construction of similar buildings and the year of construction, appraises its value to the amount of Drs.116,550,000

#### 3. INDUSTRIAL FACILITIES L.I262/82 (Page 66)

Building complex consisting of first and second floor of total area 1,934 sq.meters. The Committee taking into consideration the technical report of the Civil Engineer, the kind of construction, the cost of construction of similar buildings and the year of construction, appraises its value to the amount of: Drs.71,558,000

#### 4. BULDINGS IN PROGRESS (Page 66)

The building complex erected on the said plot in Pefki, Attica consists

of basement storage room, ground floor shop, ground floor garage and first floor shop. On the basis of the objective value assessment system, the Committee appraises its value to the amount of: Drs.82,256,324

5. MACHINERY (Page 66)

Various machines detailed in the annexed list, the value of which is appraised by the Committee to the amount of: Drs.500,000

6. MACHINERY L.D.1078/71 (Pages 66 & 67)

Eighteen (18) textile looms and other machines detailed in the annexed list, the value of which is appraised by the Committee to the amount of: Drs.90,000,000

7. MACHINERY L.D.1078/71 -331/74 (Page 67)

Various machines of the textile factory detailed in the annexed list, the value of which is appraised by the Committee to the amount of:

Drs.250,000

8. MACHINERY L.D.I 116/81 (Page 68)

Eight (8) textile looms and other machines detailed in the annexed list, the value of which is appraised by the Committee to the amount of:

Drs. 40,000,000

9. MACHINERY L. 1262/82 (Page 68)

Twelve (12) textile looms make DORNIER, fifteen (15) textile looms make SULZER and other machines detailed in the annexed list, the value of which is appraised by the Committee to the amount of:

Drs.320,000,000

10.MECHANICAL TOOLS (Page 69)

Various mechanical tools detailed in the annexed list, the value of which is appraised by the Committee to the amount of:

Drs.250,000

11. APPLIANCES - INSTRUMENTS (Pages 70 & 71) Various appliances and instruments detailed in the annexed list, the value of which is appraised by the Committee to the amount of:

Drs.3,500,000

12. INSTALLATIONS (Page 71)

Elevator and other installations detailed in the annexed list, the value

of which is appraised by the Committee to the amount of: Drs.900,000  
13. FURNITURE & FIXTURES (Page 71-74) Various furniture and fixtures detailed in the annexed list, the value of which is appraised by the Committee to the amount of: Drs.1,500,000

14. OFFICE MACHINES (Page 74)

Various calculators and typewriters detailed in the annexed list, the value of which is appraised by the Committee to the amount of:

Drs. 150,000

15. VEHICLES (Page74)

Passenger car make AUDI, chassis nr,4372-080068, engine nr.YY 029571, reg.nr.ZN 2353, the value of which is appraised by the Committee to the amount of: Drs.300,000

b) SPINNING FACTORY

1. FIELDS L.I262/82 (Page 74)

A plot of total area 8,264.50 sq.meters located in the place known as Lygia within the district of the Municipality of Nafpaktos, devolved upon the Company by virtue of the notarized deed nr.12192/27.8.1987 of the of the Notary Public of Athens Ms.Sofia Theof.Krousoula—Panagaki. The said plot is described in detail in the survey plan of the Architect-Engineer Mr.Nikolaos Vasilopoulos. The Committee taking into consideration the prices of sale of similar plots in the area appraises its value to the amount of: Drs.20,000,000

2. BUILDINGS L. 1262/82 (Page 75)

The new building complex of the spinning factory of total area 6,231 sq.meters, consisting of the basement measuring 720 sq.meters and the ground floor measuring 5,511 sq.meters, the value of which is appraised by the Committee to the amount of: Drs.195,000,000

3. IMMOBILIZATIONS IN PROGRESS L.1262/82

(Page 74) Drs.2,310,560

4. INSTALLATIONS L.I262/82 (Page 75)

Electrical and plumbing installations of the new building, the value of which is appraised by the Committee to the amount of: Drs.6,445,607

5. MACHINERY L.I262/82 (Pages 75 & 76)



The machines of the spinning factory detailed in the annexed list, the value of which is appraised by the Committee to the amount of:

Drs.917,662,650

6. TECHNICAL INSTALLATIONS L. 1262/82 (Page 76)

Air conditioning, dehumidification, fire protection, compressed air and other installations detailed in the annexed list, the value of which is appraised by the Committee to the amount of: Drs.134,771,370

7. MECHANICAL INSTRUMENTS L.I262/82 (Pg.76 & 77)

Various mechanical instruments of the spinning factory detailed in the annexed list, the value of which is appraised by the Committee to the amount of: Drs.79,154,071

8. FURNITURE AND FIXTURES L.I262/82 (Page 77)

Various furniture and fixtures detailed in the annexed list, the value of which is appraised by the Committee to the amount of: Drs.320,931

9. VEHICLES L.I262/82 (Page 77)

CLARK MOD DOM 20N.M.3754, the value of which is appraised by the Committee to the amount of: Drs.3,565,091

B. CURRENT ASSETS

I. STOCK

1. RAW MATERIAL (Pages 78-80)

Cotton and yarns of various types (cotton and polyester yarns), the value of which on the basis of the price of acquisition is appraised by the Committee to the amount of: Drs.63,860,249

2. RAW MATERIAL IN THIRD PARTIES (Page 80)

Cotton yarns in the hands of third parties for processing, the value of which on the basis of the price of acquisition is appraised by the Committee to the amount of: Drs.3,452,219

3. AUXILIARY MATERIALS (Pages 80 & 81)

Chemicals, the value of which on the basis of the price of acquisition is appraised by the Committee to the amount of:

Drs.883,684

4. SEMI-FINISHED PRODUCTS (Pages 77 & 78)

Textiles at the stage of processing, the value of which on the basis of

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the cost estimate of the Company is appraised by the Committee to the amount of: Drs.4,399,600

5. SEMI-FINISHED PRODUCTS IN THIRD PARTIES (Page 7.7)

Textiles in the hands of third parties for dyeing, the value of which on the basis of the cost estimate of the Company is appraised by the Committee to the amount of: Drs.10,221,700

6. FINISHED PRODUCTS (Page 78)

Textiles for sale, the value of which on the basis of the cost estimate of the Company is appraised by the Committee to the amount of:

Drs.20,942,160

7. PACKING MATERIAL (Pages 81 & 82)

Cartons, various cones, sacks etc., the value of which on the basis of the price of acquisition is appraised by the Committee to the amount of: Drs.1,062,285

8. COTTON BY-PRODUCTS (Page 82)

Cotton by-products, the value of which is appraised by the Committee to the amount of: Drs.273,840

II. CLAIMS

1. CUSTOMERS (Pages 82-90)

Customers' debts from open accounts from the sale of products as shown in the inventory: 175,229,169

Less: provisions for bad debts: 5,229,169 Drs.170,000,000

2. BILLS RECEIVABLE (Page 91) Bills receivable

as shown in the inventory: 9,867,484

Less: provisions for bad debts: 367,484 Drs.9,500,000

3. BILLS IN ARREARS (Pages 91-92) Bills protested

as shown in the inventory: 7,725,068

Less: provisions for bad debts: 556,705 Drs.7,168,363

4. BILLS IN BANKS (Pages 92-93)

Bills deposited in Banks, value in Drachmas Drs.60,002.327

5. ORDERS FROM ABROAD (Page 93)

Machines paid but not received yet according to the inventory

Drs.47,568.380

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6. VARIOUS DEBTORS (Pages 93 & 94)  
Provision for state subsidy Law 1262/82 Drs.57,503.460

7. STATE TAXES (Page 93)  
Salaried services tax and D Source tax Drs.32,382.970

8. V.A.T. (Page 93)  
Refund of V.A.T. in Drachmas Drs.1,553.670

9. SUPPLIERS (Pages 90-91)  
Advances for the purchase of raw materials Drs.77,980.815

#### C. FUNDS AVAILABLE

##### 1. HEAD OFFICE CASH

In the book "HEAD OFFICE CASH" duly seen by the Tax Office of Nafpaktos under nr.4818/31.12.1987, the balance of 30.9.1988 shown on page 108 amounts to the sum of: Drs.255.165

##### 2. BRANCH OFFICE CASH

In the book "BRANCH OFFICE CASH" duly seen by the Tax Office of Nafpaktos under nr.2708/17.6.1987, the balance of 30.9.1988 shown on page 47 amounts to the sum of: Drs.110.832,108

##### 3. DEPOSITS IN BANKS

Balance of sight deposits in the National Bank of Greece: Drs.197,401

GRAND TOTAL OF ASSETS: Drs.2,837,925,000

#### LIABILITIES

##### I. RESERVE FUNDS

1. Tax Free Reserves L.D.1078/71	Drs.40,795,165
2. Tax Free Reserves L.D. 1116/81	18,113,888
3. Tax Free Reserves Law 1262/82	127.879.194
4. Tax Free Reserves L.D. 1078/71 Work.Capital	10,007,934
5. Tax Free Reserves L.D.1078/71-331/74	1,155,574
6. Readjustment reserve L.I731/87	47,045,080

##### II. VARIOUS CREDITORS

Provisions for risks and expenses: 40,948,219

##### III. LONG TERM OBLIGATIONS (Page 97)

###### 1. Long-term Bank Accounts.

Loans from the National Bank, the balance of which according to the

certification of the Bank on 30.9.1988 amounts to the sum of:

582,694,646

IV. SHORT TERM OBLIGATIONS

1. Suppliers (Pages 95-97)

Debts of the Company owed to various suppliers on account of raw materials and services: 28,744,424

2. Dividends Payable (Page 97)

As shown in the inventory: 159,923,230

3. Withholdings in favour of third parties (Page 97)

Withholdings in favour of Social Security Organizations (IKA-TEAM-TSMEDE): 5,437,206

4. State Tax (Page 98)

Salaried services tax, duty stamp, D Source tax: 5,567,931

V. SUBSIDIES

State subsidy for investments in the Spinning Factory:

553,250,000

VI. PROVISION FOR PERSONNEL COMPENSATION

Provision of the Committee for partial compensation of the personnel of the Company in accordance with Law 2112: 437,509

GRAND TOTAL OF LIABILITIES: Drs. 1,602,000,000

From the above it appears:

Value of Assets: Drs. 2,837,925,000

Value of Liabilities: Drs. 1,602,000,000

Balance: Drs. 1,235,925,000

Less: Value of shares purchased by the Company

"Viotechnia Ifasmaton Ch. Polychronos" Drs. 65,000,000

NET WORTH Drs. 1,170,925,000

CONCLUSION

In view of the above, the Committee unanimously reaches the conclusion that the value of the Assets amounts to the sum of 2,837,925,000 Drachmas, the value of the Liabilities amounts to the sum of 1,602,000,000 Drachmas and the Net Worth of the Company "IFANTIRIA NAFPAKTOU G.POLYCHRONOS A.B.E.E." on

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30.9.1988 amounts to the sum of 1,170,925,000 Drachmas, after having deducted the amount of 65,000,000 Drachmas which corresponds to the value of the shares of the above Company purchased by "VIOTECHNIA IFASMATON CH. POLYCHRONOS A.B.E.E.".

NOTE

As it appears from the Certificate nr.1273/29.11.1988 of the Mortgage Registry of Nafpaktos, the following mortgage burdens have been recorded on the real property of the Company:

1. Mortgage for the amount of 100,000 Drachmas recorded on 30.8.79 in Vol.83 under ser.nr.66 in favour of the Commercial Bank as regards the property described in the contract nr.173/1965 of the Notary Public of Athens Ms.Sofia Kousoula-Panagaki.
2. Pre-notice of mortgage for the amount of 13,500,000 Drachmas recorded on 30.8.79 in Vol.83 under ser.nr.67 in favour of the same Bank as regards the same property.
3. Pre-notice of mortgage for the amount of 10,500,000 Drachmas recorded on 1.9.80 in Vol.83 under ser.nr.162 in favour of the National Bank as regards the property described in the contract nr.67/1979 of the Notary Public of Nafpaktos Ms.Andriana Vitsa-Mastrokosta.
4. Pre-notice of mortgage for the amount of 21,000,000 Drachmas recorded on 7.1.1981 in Vol.84 under ser.nr.20 in favour of the National Bank as regards the property described in the contract nr,67/1979 of the same Notary Public.
5. Mortgage for the amount of 100,000 Drachmas recorded on 7.1.1981 in Vol.84 under ser.nr.102 in favour of the same Bank as regards the same property.
6. Pre-notice of mortgage for the amount of 4,000,000 Drachmas recorded on 16.11.1981 in Vol.85 under ser.nr.69 in favour of the same Bank as regards the same property.
7. Pre-notice of mortgage for the amount of 29,000,000 Drachmas recorded on 15.10.82 in Vol.86 under ser.nr.95 in favour of the National Bank as regards the property described in the contracts

nr.67/1979 and 173/1975.

8. Mortgage for the amount of 100,000 Drachmas recorded on 2.12.1982 in Vol.86 under ser.nr.135 in favour of the same Bank as regards the same property.

9. Pre-notice of mortgage for the amount of 10,000,000 Drachmas recorded on 24.6.1985 in Vol.89 under ser.nr.109 in favour of the National Bank as regards the property described in the contract nr.173/1975 of the Notary Public of Athens Ms.Sofia Kousoula-Panagaki.

10. Pre-notice of mortgage for the amount of 35,000,000 Drachmas recorded on 25.6.1985 in Vol.89 under ser.nr.110 in favour of the same Bank as regards the same property.

11. Mortgage for the amount of 100,000 Drachmas recorded on 29.8.1985 in Vol.89 under ser.nr.144 in favour of the same Bank as regards the same property.

12. Pre-notice of mortgage for the amount of 500,100,000 Drachmas recorded on 14.3.1988 in Vol.92 under ser.nr.21 in favour of the National Bank as regards the property described in the contracts nr.67/1979, 173/1975, 10894/1986, 15780/1973 and 12192/1987.

13. Pre-notice of mortgage for the amount of 40,000,000 Drachmas recorded on 15.5.1986 in Vol.90 under ser.nr.95 in favour of the same Bank as regards the property described in the contracts nr.67/1979, 173/1975, 10894/1986 and 15780/1973.

APPRAISAL OF THE COMPANY UNDER THE NAME "VIOTECHNIA IFASMATON CH. POLYCHRONOS A.B.E.E." The Company was established by virtue of the deed of incorporation nr.12116/6.7.1987 of the Notary Public of Athens Ms.Sofia Theof. Krousoula - Panagaki published in the Govt. Gazette nr.2100/23.07.1987 (Issue of Corporations and Limited Liability Companies), with the same scope of business as the aforementioned Company. The legal seat of the Company is in the Municipality of Nafpaktos, where is the factory and the offices we visited for inspection. The property assets of the Company with date of inventory 30.9.88 appear in the Book of

Inventories and Balance Sheets (pages 30-37) duly seen by the Tax Office of Nafpaktos under nr.3515/ 21.08.1987, followed by the balance sheet of 30.9.1988 (pages 38-41).

## ASSETS

### D. FIXED ASSETS

#### 1. MACHINERY L.I262/82 (Page 30)

- a) Textile loom SULTZER Nr.99008
- b) Textile loom SULTZER Nr.99009
- c) Textile loom SULTZER Nr.99010
- d) Textile loom SULTZER Nr.99011
- e) Textile loom SULTZER Nr.99012
- f) Textile loom SULTZER Nr.99013
- g) Textile loom SULTZER Nr.99014
- h) Machine for the sticking of plastic cards.
- i) Knot tying machine.

Taking into consideration the time of acquisition and the current prices, the Committee appraises the value of the above items to the amount of:

Drs.112,000,000

#### 2. APPLIANCES - INSTRUMENTS (Page 30)

Telephone set, the value of which is appraised by the Committee to the amount of:

Drs.25,000

#### 3. FURNITURE & FIXTURES (Page 30)

- a) Two (2) filing cabinets
- b) One (1) desk 1.60x0.80

Value appraised by the Committee: Drs.75,000

## B. CURRENT ASSETS

### I. STOCK

#### 1. RAW MATERIAL (Page 31)

Cotton and polyester yarns), the value of which on the basis of the price of acquisition is appraised by the Committee to the amount of:

Drs. 11,387,682

#### 2. SEMI-FINISHED PRODUCTS (Page 31)

Textiles at the stage of processing, the value of which on the basis of

the cost estimate of the Company is appraised by the Committee to the amount of:

Drs.3,036,420

3. PACKING MATERIAL (Page 31)

Cartons, various cones, sacks etc., the value of which on the basis of the price of acquisition is appraised by the Committee to the amount of:

Drs.375,754

II. CLAIMS

1. CUSTOMERS (Pages 32-34)

Customers' debts from the sale of products as shown in the inventory:

24,184,949

Less: doubtful customers: 1,184,949 Drs.23,000,000

2. SUPPLIERS (Page 34)

Advances for the purchase of raw materials: Drs.2,845.836

3. BILLS RECEIVABLE (Page 34)

Bills receivable as shown in the inventory: Drs.170,134

4. BILLS IN ARREARS (Pages 34 & 35)

Bills protested

as shown in the inventory: 510,965

Less: provisions for bad debts: 112,686 Drs.398,279

5. BILLS IN BANKS (Page 35)

Bills deposited in Banks as shown in the inventory: Drs.962.114

6. INTERIM ACCOUNS (Page 35)

Loan to the personnel of the Company: Drs.70,000

7. COMPENSATION TO THE BOARD (Page 35)

As shown in the inventory: Drs.2,000.000

III. SECURITIES

1. SHARES (Page 35)

Purchase of shares from the company "Ifantiria Nafpaktou G.Polychronos": Drs.65,000,000

IV. FUNDS AVAILABLE

1. CASH (Page 35)

a) Head Office Cash Book seen by the

Tax Office of Nafpaktos under nr.3 081/27.7.1987.



Balance as of 30.9.1988: 155,385

b) Branch Office Cash Book seen by the  
Tax Office of Nafpaktos under nr.3085/27.7.1987.

Balance as of 30.9.1988: 3,272,330 Drs.3,427.715

#### 4. SIGHT DEPOSITS (Page 35)

Sight deposits in the National Bank of Greece.

Balance as of 30.9.1988: Drs.26,066

GRAND TOTAL OF ASSETS: Drs.224,800,000

#### LIABILITIES

##### I. RESERVE FUNDS

I. Tax Free Reserves Inv.Law 1262/82: Drs.63,474,931

##### II. SHORT TERM LIABILITIES

###### 1. Suppliers (Page 36)

Debts of the Company owed to suppliers on account of raw materials:

Drs.4,661,145

###### 2. Withholdings in favour of third parties (Page 36)

Withholdings in favour of IKA & TEAM Fund: Drs.1,375,850

###### 3. Interim Accounts (Page 36)

Provisions for the payment of expenses: Drs.1,490,592

###### 4. State Tax (Page 37)

Salaried services tax, duty stamp, D Source tax: Drs.615,378

###### 5. Dividends Payable (Page 37)

As shown in the inventory: Drs.5,751,060

###### 6. V.A.T. (Page 37) Drs.829,760

###### 7. Banks (Page 36)

Loans for long term obligations payable in the next year:

Drs.6,153,845

##### III. LONG TERM OBLIGATIONS

###### 1. Banks (Page 36)

Long term loan from the National Bank as per their certification.

Balance as of 30.9.88: Drs.50,769,221

##### IV. PROVISION FOR PERSONNEL COMPENSATION

Provision of the Committee for partial compensation of the personnel

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of the Company in accordance with Law 2112: Drs.378,218  
 GRAND TOTAL OF LIABILITIES: Drs.135,500,000  
 From the above it appears:  
 Value of Assets: Drs.224,800,000  
 Value of Liabilities: Drs.135,500,000  
 NET WORTH Drs.89,300,000

CONCLUSION

In view of the above, the Committee unanimously reaches the conclusion that the value of the Assets amounts to the sum of 224,800,000 Drachmas, the value of the Liabilities amounts to the sum of 135,500,000 Drachmas and the Net Worth of the Company "VIOTECHNIA IFASMATON CH.POLYCHRONOS A.B.E.E." on 30.9.1988 amounts to the sum of 89,300,000 Drachmas.

EXCHANGE RATIO OF THE SHARES OF THE MERGED COMPANIES TO THOSE OF THE NEW COMPANY (SOCIETE ANONYME) WHICH IS TO BE ESTABLISHED.

A. IFANTIRIA NAFPAKTOY-GEORGIOS POLYCHRONOS A.B.E.E.

- Share capital 760,572,000 (1,521,144 x 500)
- NET WORTH 1,170,925,000 (1,152,144 x 769.766)
- Par value of the share of the newly established company: Dr. 800
- Share exchange ratio:

**Internal value of share** **769,766**  
 ----- = ----- = **0.9622075**

**Par value of share** **800**

That is the shareholders of the Company shall exchange one (1) old share against 0.9622075 shares of the new Company.

Therefore the said Company shall issue:

**1,521,144 shares x 0.9622075 (exchange ratio) = 1,463,656 shares.**

B. VIOTECHNIA IFASMATON CH.POLYCHRONOS ABEE.

- Share capital 13,693,000 (13,693 x 1,000)
- NET WORTH 89,300,000 (13,693 x 6,521.5803)
- Par value of the share of the newly established company: Drs 800
- Share exchange ratio:



$$\frac{\text{Internal value of share } 6.521,5803}{\text{Par value of share } 800} = 8,1519753$$

Par value of share 800

That is the shareholders of the Company shall exchange one (1) old share against 8.1519753 shares of the new Company.

Therefore the said Company shall issue:

$$13,693 \times 8.151753 = 111,625 \text{ shares.}$$

Therefore, the new Company shall issue 1,575,281 shares (that is 1,463,656 + 111,625) of par value 800 Drachmas and the share capital shall amount to the sum of 1,260,225,000, equal to the total of the net worth of the merged companies (1,170,925,000 + 89,300,000).

In the opinion of the Committee, the above exchange ratio seems to be fair and reasonable.

THE COMMITTEE Theodoros Tsamis — Konstantinos Karagiannis - Vasileios Tsolis

2. The general meetings of the merged companies accepted the above appraisals of the Experts Committee.

Therefore, the parties (indicatively and without altering or modifying the above principle adopted hereunder and taking into consideration the contents of the Minutes nr. 1/5. 1.1 989 of the extraordinary General Meeting of the shareholders of the Company, that the property of the Company established hereunder consists of the total of their respective properties) agree that the share capital of the Company established hereunder amounting to the sum of 1,272,225,000 Drachmas is covered by the amount of 1,182,925,000 from the company under the name "IFANTIRIA NAFPAKTOY-GEORGIOS POLYCHRONOS A.B.E.E." and by the amount of 83,900,000 Drachmas from the company under the name "VIOTECHNIA IFASMATON CH. POLYCHRONOS ABEE".

It is agreed that the shares of the newly established Company as per article 5 hereunder belong to the shareholders as follows:

a) One million four hundred seventy eight thousand six hundred fifty six (1,478,656) shares of par value 800 Drachmas each belong to

the shareholders of the merged company "IFANTIRIA NAFPAKTOY-GEORGIOS POLYCHRONOS A.B.E.E.". Three hundred eighty seven thousand eight hundred sixty nine (387,869) shares out of the above shall be preferred shares without voting rights and they shall be granted to the old shareholders.

b) The remaining one hundred eleven thousand six hundred twenty five (111,625) shares belong to the shareholders of the merged company under the name "VIOTECHNIA IFASMATON CH. POLYCHRONOS ABEE".

4. Within one month from the filing of this present in the Register of Corporations and the relevant publication in the Government Gazette and the transfer of the assets of the merged companies to the Company established hereunder so as to cover fully the capital of the new Company, the latter shall be obliged to enter in the register of shareholders the names of the shareholders of the merged companies whose shares are registered in accordance with the above ratios, as they appear registered in the books of the merged companies on the date of publication of this present in the Government Gazette.

5. The assets and liabilities of the merged companies contributed and transferred to the new Company are itemized and described in detail in the appraisal reports of the Committee of article 9 of Codified Law 2190/1920. The real property and vehicles are specifically mentioned and described in article 38 hereunder, all indicatively without affecting the principle of universality of the succession of the merged companies by the new Company established hereunder.

6. All the intangible rights accompanying the property assets of the merged companies shall be also assigned and transferred to the new Company established hereunder, as per article E of the First Part. It is indicatively mentioned that the names of the merged companies contracting hereunder together with all their rights, powers, mandates, representations (commercial or other) and orders, copyrights, trademarks, distinctive features and manufacturing designs, technical and professional secrets, patents, knowhow and technical methods of

any kind, personal rights and obligations, privileges granted to them by the State or otherwise and any other tax privileges, immunities or exemptions.

7. The contracting companies mutually promise to each other as well as to the new Company established hereunder that the contributed property assets are fully owned by them and they are free of any burdens and obligations other than those mentioned in the appraisal committees.

8. The contracting companies agree and declare that in view of the execution of this present they made sure that the aforesaid contributed property assets have not undergone any depreciations in comparison with the values stated in the balance sheet of 30 September 1988, given that in the meanwhile they have realized significant profits. Also the contracting companies, as represented hereunder, agree that in the remote case a damage is ascertained in their property assets transferred hereunder upon the completion of the merger (article E of the First Part), such damage shall be compensated by the shareholders of the respective company pro rata to their participation in the capital of the new Company so as to leave the latter unaffected as agreed.

9. Furthermore, in view of the fact that the assets and liabilities of the merged companies and consequently their net worth of the same were appraised and determined on the basis of the respective inventories and balance sheets of 30 September 1988, the contracting companies agree that from 1<sup>st</sup> October 1988 onwards till the lawful formation of the new Company established hereunder all the transactions, works and relevant juridical acts of each of the merged companies shall be considered as having been performed on behalf and for the benefit of the new Company established hereunder as a result of the merger in compliance with the provisions of art.69 of Codified Law 2190/1920, because the new Company is regarded as general successor of the merged companies. Therefore, the new Company from the time of formation till the completion of all the publicity formalities required by law, shall nevertheless be the subject of all the

legal relationships, rights and obligations of the companies contracting hereunder, including those created before 30 September 1988, until the lawful formation of the new Company established hereunder. The Board of Directors of the new Company established hereunder shall be obliged in one of its first meetings to acknowledge that the consequences of the juridical acts and transactions of the merged companies which took place after the 1<sup>st</sup> of October 1988 were performed and effected on behalf of the new Company established hereunder, and give the proper instructions so as the results of the same be recorded in the books thereof.

10. Until completion of the merge, the merging Companies shall continue their trade and their business, however such business shall be considered as being carried out on behalf of the new Company established hereunder under the name "NAFPAKTOS TEXTILE INDUSTRY GEORGIOS POLYCHRONOS S.A."

11. The new Company established hereunder shall be obliged from the time of its formation till the time of its liquidation to enter in special accounts any surplus value resulting from the merger of the contracting companies, which is tax exempted in accordance with L.Decree 1297/1972, as amended. It shall be also obliged to apply strictly all the other provisions of L.Decree 1297/1972 and show independently in special accounts any tax free withholdings on account of the merger.

12. Within a two month period from the formation of the new company, the Board of Directors shall be obliged to convene a special meeting in order to ascertain the coverage of the share capital and submit within the said deadline a copy of its Minutes to the competent Supervising Authority (Prefecture). The same shall apply in any case of future increase of the share capital.

13. Any profits appropriated by the new Company referring to the period from 1 October 1988 till the completion of the merger as per article E of the present contract shall be distributed by it to the shareholders of the merged companies pro rata to the shares of each shareholder in the share capital of the merged companies (articles A

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and B above).

13. With the reservation of the foregoing paragraph, the shares of the new Company shall have the right to participate in the profits of the first balance sheet which is to be closed from the lawful formation of the Company.

#### Article 38.

#### REAL PROPERTY AND VEHICLE TRANSFERRED BY THE FIRST OF THE MERGED COMPANIES "IFANTIRIA NAFPAKTOY-GEORGIOS POLYCHRONOS A.B.E.E."

##### REAL PROPERTY

1. A field which is 4,046.40 sq.meters in area, located in the place "Lygia" on Nafpaktos-Skala country road, within the district of the Municipality of Nafpaktos. There is a factory complex with frontage on the said road.
2. Another field which is 4,199.27 sq.meters in area, located in the place "Lygia" on Nafpaktos-Skala country road, within the district of the Municipality of Nafpaktos. Both fields have been integrated into one of total area 8,247.60 according to a recent measurement.
3. Another field which is 14,127.00 sq.meters in area, located in the place "Lygia" within the district of the Municipality of Nafpaktos. There is a factory complex with frontage on a private road. The whole industrial complex which is 22,374.67 sq.meters in area with industrial facilities covering 5,083.50 sq.meters is shown under capital letters A-B-F-A-E-A and B-F-A-E-Z-H-A on the survey plan of May 1988 designed by the Architect-Engineer Mr.Nikolaos Vasilopoulos in accordance with the provisions of Law 651/1977 duly signed by the contracting parties and me, the undersigned Notary Public, and annexed to the present contract. The value of the said property amounts to the sum of 233,100,000 Drachmas.
4. Fifty per cent (50%) indivisibly of a plot conforming and fit for building construction purposes located in the place known as Pelika or Psalidi at 5 Kolokotroni & Agiou Georgiou Koukloutza Street, within the district of the Municipality of Pefki, Attica, ex Community of

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Pefki, formerly Municipality of Amarousion. The said plot which is 2,560.00 in area is shown capital letters A-B-F-A-E-Z-H-0-A on the survey plan of May 1984 designed by the Civil Engineer Mr.Nikolaos Loutzakis, duly annexed to my deed nr.9869/1984 establishing (horizontal) property by flats. The said percentage (50%) in accordance with my aforesaid deed nr.9869/1984 establishing property by flats correspond to the following horizontal properties:

- a) Storage room nr.Y-1 on the basement of Building I, shown under the same elements on the floor plan of May 1984 designed by the Civil Engineer Mr.Nikolaos Loutzakis, duly annexed to my deed nr.9869/1984. This property is 671.00 sq.meters in area with co-ownership interests in the whole plot 169/1000 indivisibly.
- b) Shop nr.IS-1 on the ground floor of Building I, shown under the same elements on the floor plan of May 1984 designed by the Civil Engineer Mr.Nikolaos Loutzakis, duly annexed to my deed nr.9869/1984. This property is 630.00 sq.meters in area with co-ownership interests in the whole plot 166/1000 indivisibly.
- c) Garage nr.IS-2 on the ground floor of Building II, shown on the floor plan of May 1984 designed by the Civil Engineer Mr.Nikolaos Loutzakis, duly annexed to my deed nr.9869/1984. This property is 288.00 sq.meters in area with co-ownership interests in the whole plot 70/1000 indivisibly.
- d) Shop nr.A-2 on the first floor of Building II, shown under the same elements on the floor plan of May 1984 designed by the Civil Engineer Mr.Nikolaos Loutzakis, duly annexed to my deed nr.9869/1984. This property is 288.00 sq.meters in area with co-ownership interests in the whole plot 70/1000 indivisibly.
- e) The right to erect additional floors above the flat roof of Building II, corresponding to 25% of the interests in the whole plot. The total value of the said properties amounts to the sum of 82,556,324 Drachmas. All the above devolved upon the merged company under the name "IFANTIRIA NAFPAKTOY-GEORGIOS POLYCHRONOS A.B.E.E." by virtue of the contract nr. 10894/27.12.1985 duly recorded



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in the books of conveyances of the Mortgage Registries of Nafpaktos and Amarousion respectively, whereby the companies "IFANTIRIA NAFPAKTOU GEORGIOS POLYCHRONOS Industrial & Commercial Co.S.A." and "A.POLYCHRONOU Industrial & Commercial Co.S.A." were merged into one so as to form the contracting party under the name "IFANTIRIA NAFPAKTOY-GEORGIOS POLYCHRONOS A.B.E.E.", so the properties described above which belonged to the company "IFANTIRIA NAFPAKTOU GEORGIOS POLYCHRONOS Industrial & Commercial Co.S.A." were contributed to the above company "IFANTIRIA NAFPAKTOY - GEORGIOS POLYCHRONOS A.B.E.E.". The predecessor company had acquired the said properties in the manner described in my aforesaid contract nr. nr. 10894/27.12.1985 to which the parties refer in order to avoid useless repetitions.

5. A plot located in the place known as Lygia or Ska within the district of the Municipality of Nafpaktos but outside the town limits, with frontage on a private road. The plot which is 8,264.50 sq.meters in area is shown under capital letters A-B-F-A-A on the survey plan of May 1987 designed by the Architect-Engineer Mr.Nikolaos Vasilopoulos in accordance with the provisions of Law 651/1977 and annexed to (iv contract nr.12192/27.8.1987. The plot devolved upon the merged company under the name "IFANTIRIA NAFPAKTOY - GEORGIOS POLYCHRONOS A.B.E.E." due to purchase from Mr.Spyridon Markos Koumbios by virtue of my contract of sale nr.12,192/27.8.1987 duly recorded in the books of conveyances of the Mortgage Registries of Nafpaktos. There is a new building complex - spinning factory on the said plot consisting of basement occupying a space of 720.00 sa.meters, and ground floor occupying a space of 5,511.00 sq.meters, that is 6,231.00 sq.meters totally, the value of which amounts to the sum of 215,000,000 Drachmas. The values of the said properties have remained unchanged till the present day, as appraised by the Experts Committee of art.9 of Law 2190/1920.

VEHICLES



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Passenger car make AUDI, chassis nr.4372-080068, engine nr.YY 029571, reg.nr.ZN 2353, the value of which was appraised by the Committee to the amount of 300,000 Drachmas. The contracting parties hereby assign, convey, transfer and deliver to the new Company which is to be established under the name NAFPAKTOS TEXTILE INDUSTRY GEORGIOS POLYCHRONOS S.A.

All the above movable and immovable property assets as well as those not expressly mentioned in the present contract with all their relevant personal and real rights and actions and recognize the new Company as the absolute owner and possessor of the same. They also waive the right to cancel the contribution and transfer of the said property assets to the new Company for any cause or reason whatsoever, including those mentioned in art. 178, 179 and 388 of the Civil Code. Furthermore, they promise through their undersigned representatives that the property assets transferred hereunder are free of any burdens, debts, mortgages or pre-notices of mortgage, other than those mentioned in the said appraisal report, and from any legal defect in general.

From the publication of this present, the new Company established hereunder without any further notice shall succeed in the rights and obligations of the aforesaid merged companies with regard to all their relationships with any natural persons or legal entities of public or private law, either domestic or foreign ones, and any state, municipal, community or other Authorities, Banks and Organizations, and the new Company shall ipso jure succeed in the ownership and possession of all the movable and immovable assets of the merged companies, being entitled to own, possess and dispose of the above at its absolute discretion, even if they are not adequately described in the present contract, without the observance of any other formalities.

These articles are a codification (first) of the initial text thereof, as this is set forth in the contract No. 13318/28.12.1988 of the Notary Public of Athens Sofia Thoef. KOUSOULA-PANAGAKI and of the amendments of art. 4 (ch. Z), 5 and 37 (par. 1, 2 and 3), that occurred

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by the resolutions of the Extraordinary Universal General Meeting of the Company's shareholders dated 05.01.1989.

### Article 39

These articles are a codification (first) of the initial text thereof, as this is set forth in the contract No. 13318/28.12.1988 of the Notary Public of Athens Sofia Thoen. KOUSOULA-PANAGAKI and of the amendments of art. 4 (ch. Z), 5 and 37 (par. 1, 2 and 3), that occurred by the resolutions of the Extraordinary Universal General Meeting of the Company's shareholders dated 05.01.1989.

UNIFIED TEXT OF THE ARTICLES OF ASSOCIATION AS IT IS IN FORCE UPON THE INCORPORATION THERETO OF THE AMENDMENTS MADE BY THE RESOLUTIONS UP TO THIS DAY OF THE GENERAL MEETINGS (LAST DATED 28.5.2014) OF THE COMPANY'S SHAREHOLDERS.

TRUE COPY

PEFKI, ATTIKI, 14.7.2014

FOR THE COMPANY

NAFPAKTOS TEXTILE INDUSTRY SA

Sgd and Sealed

VASILEIOS POLYCHRONOS

BoD CHAIRMAN

True translation from the Greek document

Maria Manoussaridou, Translator

Athens, 19/1/17

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