

**Approval of audited Consolidated Financial Statements of Alkis  
H.Hadjikyriacos (Frou Frou Biscuits) Public Ltd for 2016 and  
dividend increase**

Please see attached

Attachments:

1. **Annual Results**
2. **Announcement**

**Regulated**

Publication Date: 02/05/2017

# ALKIS H. HADJIKYRIACOS (FROU FROU BISCUITS) PUBLIC LIMITED

## CONSOLIDATED AND STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT

### AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2016

|  | Group        |              | Company     |             |
|--|--------------|--------------|-------------|-------------|
|  | 2016<br>€    | 2015<br>€    | 2016<br>€   | 2015<br>€   |
| Turnover   | 24,455,724   | 26,811,036   | 14,228,605  | 15,712,778  |
| Cost of sales  | (14,170,925) | (15,449,963) | (8,253,506) | (8,878,020) |
| <b>Gross profit</b>  | 10,284,799   | 11,361,073   | 5,975,099   | 6,834,758   |
| Other income from operating activities   | 1,137,265    | 1,134,661    | 1,916,021   | 1,601,654   |
|  | 11,422,064   | 12,495,734   | 7,891,120   | 8,436,412   |
| Administrative costs   | (2,785,578)  | (2,733,008)  | (2,343,160) | (2,329,058) |
| Sales and distribution costs   | (5,717,403)  | (6,454,319)  | (3,284,590) | (3,726,282) |
| Other expenses   | (39,422)     | (111,629)    | -           | (12,796)    |
| <b>Profit from operating activities</b>  | 2,879,661    | 3,196,778    | 2,263,370   | 2,368,276   |
| Finance costs  | (360,696)    | (500,924)    | (406,820)   | (528,093)   |
| Finance income   | 242,154      | 29,482       | 186,883     | 2,001       |
| <b>Net finance costs</b>   | (118,542)    | (471,442)    | (219,937)   | (526,092)   |
| <b>Profit before the performance of investments</b>                                      | 2,761,119    | 2,725,336    | 2,043,433   | 1,842,184   |
| Impairment of investments available for sale   | -            | (616,065)    | -           | (87,441)    |
| Surplus from revaluation of investment property  | 382,264      | -            | 461,060     | -           |
| <b>Profit before taxation</b>  | 3,143,383    | 2,109,271    | 2,504,493   | 1,754,743   |
| Taxation   | (581,826)    | (445,411)    | (237,301)   | (227,040)   |
| <b>Profit for the year</b>   | 2,561,557    | 1,663,860    | 2,267,192   | 1,527,703   |
| <b>Other comprehensive income</b>  |              |              |             |             |
| <i>Items not to be reclassified to profit or loss in subsequent periods:</i>             |              |              |             |             |
| Surplus from revaluation of land and buildings   | 1,070,799    | -            | 8,507       |             |
| Tax related to other comprehensive income  | (61,807)     | (33,547)     | (61,807)    | (33,547)    |
|  | 1,008,992    | (33,547)     | (53,300)    | (33,547)    |
| <i>Items that will or may be reclassified to profit or loss in subsequent periods:</i>   |              |              |             |             |
| Surplus from revaluation of investments  | 543,524      | 1,831,824    | 4,294       | 30,465      |
| Transfer to profit and loss due to impairment / (sale) of investments available for sale | -            | 616,065      | (41,003)    | 87,441      |
|  | 543,524      | 2,447,889    | (36,709)    | 117,906     |
| <b>Other comprehensive income / (expenses) for the year</b>                              | 1,552,516    | 2,414,342    | (90,009)    | 84,359      |
| <b>Total comprehensive income / (expenses) for the year</b>                              | 4,114,073    | 4,078,202    | 2,177,183   | 1,612,062   |
| Earnings per share (cents)   | 2.59         | 1.68         | 2.29        | 1.55        |
| Fully diluted earnings per share (cents)   | 2.59         | 1.68         | 2.29        | 1.55        |

# ALKIS H. HADJIKYRIACOS (FROU FROU BISCUITS) PUBLIC LIMITED

## CONSOLIDATED AND STANDALONE STATEMENT OF FINANCIAL POSITION

as at 31 December 2016

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 2016<br>€  | 2015<br>€  | 2016<br>€  | 2015<br>€  |
| <b>ASSETS</b>  |            |            |            |            |
| <b>NON-CURRENT ASSETS</b>                                      |            |            |            |            |
| Property, plant and equipment                                  | 33,776,512 | 32,980,262 | 29,898,535 | 30,899,341 |
| Intangible assets  | 4,367,028  | 4,255,515  | 398,125    | 478,339    |
| Investment property  | 11,636,456 | 11,218,331 | 7,714,160  | 7,217,239  |
| Investments in subsidiary companies                            | -          | -          | 19,939,914 | 19,570,374 |
| Investments available for sale                                 | 11,059,243 | 9,418,624  | 108,663    | 473,908    |
| Other investments  | 662,551    | 537,484    | -          | -          |
| Loans receivable   | 183,179    | 318,563    | -          | -          |
|  | 61,684,969 | 58,728,779 | 58,059,397 | 58,639,201 |
| <b>CURRENT ASSETS</b>  |            |            |            |            |
| Inventories  | 3,682,880  | 3,214,526  | 1,956,877  | 1,800,319  |
| Trade and other receivables                                    | 2,380,350  | 4,255,071  | 2,306,340  | 2,327,238  |
| Receivables from affiliated companies                          | -          | -          | -          | -          |
| Loans receivable   | 150,000    | 150,000    | -          | -          |
| Tax refundable   | 351,831    | 434,794    | 188,513    | 398,805    |
| Cash and cash equivalents                                      | 153,598    | 644,500    | 6,704      | 155,647    |
|  | 8,618,659  | 8,698,891  | 5,131,736  | 4,682,009  |
| <b>TOTAL ASSETS</b>  | 70,303,628 | 67,427,670 | 63,191,133 | 63,321,210 |
| <b>EQUITY AND LIABILITIES</b>                                  |            |            |            |            |
| <b>EQUITY</b>  |            |            |            |            |
| Share capital  | 25,703,782 | 25,703,782 | 25,703,782 | 25,703,782 |
| Reserves   | 29,612,814 | 26,487,348 | 21,737,055 | 20,548,479 |
| <b>Total equity attributable to the Company's shareholders</b> | 55,316,596 | 52,191,130 | 47,440,837 | 46,252,261 |
| <b>NON-CURRENT LIABILITIES</b>                                 |            |            |            |            |
| Amounts payable to subsidiary companies                        | -          | -          | 4,931,557  | 6,396,030  |
| Bank loans   | 785,951    | 1,207,607  | -          | 47,825     |
| Directors accounts   | 4,095,206  | 3,930,053  | 4,095,158  | 3,930,011  |
| Deferred taxation  | 3,590,110  | 3,229,246  | 3,287,096  | 3,075,252  |
|  | 8,471,267  | 8,366,906  | 12,313,811 | 13,449,118 |
| <b>CURRENT LIABILITIES</b>                                     |            |            |            |            |
| Bank overdrafts  | 199,157    | 165,755    | 94,386     | -          |
| Current portion of bank loans                                  | 452,141    | 627,492    | 52,510     | 159,456    |
| Trade and other liabilities                                    | 5,224,997  | 5,447,665  | 3,141,418  | 3,229,956  |
| Tax payable  | 639,470    | 628,722    | 148,171    | 230,419    |
|  | 6,515,765  | 6,869,634  | 3,436,485  | 3,619,831  |
| <b>Total liabilities</b>                                       | 14,987,032 | 15,236,540 | 15,750,296 | 17,068,949 |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            | 70,303,628 | 67,427,670 | 63,191,133 | 63,321,210 |

# ALKIS H. HADJIKYRIACOS (FROU FROU BISCUITS) PUBLIC LIMITED

## CONSOLIDATED AND STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 December 2016

|  | Group       |             | Company     |             |
|--|-------------|-------------|-------------|-------------|
|  | 2016<br>€   | 2015<br>€   | 2016<br>€   | 2015<br>€   |
| <b>Cash flow from operating activities</b>                                   |             |             |             |             |
| Profit for the year  | 2,561,557   | 1,663,860   | 2,267,192   | 1,527,703   |
| Adjustments for:   |             |             |             |             |
| Depreciation of property, plant and equipment                                | 1,608,136   | 1,572,653   | 1,304,139   | 1,332,888   |
| Depreciation of intangible assets  | 152,759     | 144,768     | 81,590      | 87,808      |
| Gain on sale of property, plant and equipment                                | (11,736)    | (34,150)    | (10,560)    | (15,939)    |
| Gain on sale of investments  | (12,903)    | -           | (41,003)    | -           |
| Surplus from revaluation of investment property                              | -           | -           | -           | 12,796      |
| Loss from winding up of a subsidiary company                                 | (382,264)   | -           | (461,060)   | -           |
| Impairment of investments available for sale                                 | -           | 616,065     | 41,003      | 87,441      |
| Dividends receivable   | (431,938)   | (291,698)   | (1,016,323) | (601,870)   |
| Interest payable   | 220,564     | 271,966     | 349,356     | 459,195     |
| Interest receivable  | (200,054)   | (18,874)    | (185,339)   | (109)       |
| Taxation   | 581,826     | 445,411     | 237,301     | 227,040     |
| <b>Cash flow from operating activities before changes in working capital</b> | 4,085,947   | 4,370,001   | 2,566,296   | 3,116,853   |
| (Increase) / decrease in inventories   | (338,738)   | 473,011     | (156,558)   | 314,064     |
| (Increase) / decrease in trade and other receivables                         | (25,279)    | 190,248     | 20,898      | 70,398      |
| Increase in payables from subsidiary companies                               | -           | -           | (1,289,639) | (1,127,626) |
| Increase in receivables from subsidiary companies                            | -           | -           | (673,302)   | -           |
| Decrease in trade and other liabilities                                      | (222,668)   | (238,261)   | (88,538)    | (239,877)   |
| <b>Cash flow from operating activities</b>                                   | 3,499,262   | 4,794,999   | 379,157     | 2,133,812   |
| Interest paid  | (220,564)   | (271,966)   | (349,356)   | (459,195)   |
| Tax paid   | (278,137)   | (18,974)    | (176,878)   | (2,303)     |
| <b>Net cash flow from operating activities</b>                               | 3,000,561   | 4,504,059   | (147,077)   | 1,672,314   |
| <b>Cash flow for investing activities</b>                                    |             |             |             |             |
| Purchase of intangible assets  | (264,272)   | (191,254)   | (1,376)     | (10,117)    |
| Purchase of property, plant and equipment                                    | (1,335,373) | (799,361)   | (295,582)   | (514,881)   |
| Purchase of investment property  | (35,861)    | (1,002,966) | (35,861)    | (971,912)   |
| Purchase of investments available for sale                                   | (1,198,953) | (348,339)   | -           | (6,926)     |
| Payment for purchase of other investments                                    | (52,663)    | (313,790)   | -           | -           |
| Loans granted  | -           | (450,000)   | -           | -           |
| Proceeds from loan repayments  | 150,000     | -           | -           | -           |
| Proceeds from sale of property, plant and equipment                          | 15,342      | 65,469      | 13,136      | 27,623      |
| Interest received  | 185,438     | 311         | 185,339     | 109         |
| Dividends received   | 431,938     | 291,698     | 1,016,323   | 601,870     |
| Acquisition of undertaking   | -           | (2,398,319) | -           | -           |
| <b>Net cash flow for investing activities</b>                                | (2,104,404) | (5,146,551) | 881,979     | (874,234)   |
| <b>Cash flow (for) / from financing activities</b>                           |             |             |             |             |
| Payments by directors  | 165,153     | 318,169     | 165,147     | 318,164     |
| (Repayments) / proceeds from loans payable                                   | (597,007)   | 1,080,557   | (154,771)   | (150,158)   |
| Payment of dividend  | (988,607)   | (958,949)   | (988,607)   | (958,949)   |
| <b>Net cash flow (for) / from financing activities</b>                       | (1,420,461) | 439,777     | (978,231)   | (790,943)   |
| <b>Net decrease in cash and cash equivalents</b>                             | (524,304)   | (202,715)   | (243,329)   | 7,137       |
| <b>Cash and cash equivalents at beginning of year</b>                        | 478,745     | 681,460     | 155,647     | 148,510     |
| <b>Cash and cash equivalents at end of year</b>                              | (45,559)    | 478,745     | (87,682)    | 155,647     |
| <b>Cash and cash equivalents comprise:</b>                                   |             |             |             |             |
| Cash and cash equivalents  | 153,598     | 644,500     | 6,704       | 155,647     |
| Bank overdrafts  | (199,157)   | (165,755)   | (94,386)    | -           |
|  | (45,559)    | 478,745     | (87,682)    | 155,647     |

## ALKIS H. HADJIKYRIACOS (FROU FROU BISCUITS) PUBLIC LIMITED

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2016

|   | Share<br>capital<br>€ | Premium<br>reserve<br>€ | Annuity<br>reserve<br>€ | Fixed assets<br>revaluation<br>reserve<br>€ | Investment<br>revaluation<br>reserve<br>€ | Total<br>€ |
|---|-----------------------|-------------------------|-------------------------|---|---|------------|
| <b>Balance as at 1 January 2015</b>                         | 25,703,782            | 216,166                 | 17,279,343              | 6,888,386                                   | (1,015,800)                               | 49,071,877 |
| <b>Total comprehensive income / (expenses) for the year</b> |                       |                         |                         |   |   |            |
| Net profit for the year                                     | --                    | --                      | 1,663,860               | --  | --  | 1,663,860  |
| Other comprehensive income                                  | --                    | --                      | --                      | (33,547)                                    | 2,447,889                                 | 2,414,342  |
| <b>Transactions with shareholders recognised in equity</b>  |                       |                         |                         |   |   |            |
| Dividends   | --                    | --                      | (958,949)               | --  | --  | (958,949)  |
| <b>Balance as at 31 December 2015</b>                       | 25,703,782            | 216,166                 | 17,984,254              | 6,854,839                                   | (1,432,089)                               | 52,191,130 |
| <b>Balance as at 1 January 2016</b>                         | 25,703,782            | 216,166                 | 17,984,254              | 6,854,839                                   | (1,434,089)                               | 52,191,130 |
| <b>Total comprehensive income / (expenses) for the year</b> |                       |                         |                         |   |   |            |
| Net profit for the year                                     | --                    | --                      | 2,561,557               | --  | --  | 2,561,557  |
| Other comprehensive income for the year                     | --                    | --                      | --                      | 1,008,992                                   | 543,524                                   | 1,552,516  |
| <b>Transactions with shareholders recognised in equity</b>  |                       |                         |                         |   |   |            |
| Dividends   | --                    | --                      | (989,607)               | --  | --  | (998,607)  |
| <b>Balance as at 31 December 2016</b>                       | 25,703,782            | 216,166                 | 19,557,204              | 7,863,831                                   | 1,975,613                                 | 55,316,596 |

## Alkis H. Hadjikyriacos (Frou Frou Biscuits) Public Ltd

28 April 2017

### ANNOUNCEMENT

#### **Approval of audited Consolidated Financial Statements of ALKIS H. HADJIKYRIACOS (FROU FROU BISCUITS) PUBLIC LTD for the year 2016 and dividend increase**

We wish to inform you that at its scheduled meeting of Friday, 28 April 2016, at 10.30 a.m., the Board of Directors of ALKIS H. HADJIKYRIACOS (FROU FROU BISCUITS) PUBLIC LTD transacted the following business:

- a) It examined and approved the audited consolidated statements of the Group for the year ended 31 December 2016. The Annual Report of the Company will not be sent to the shareholders, but copies will be available at the Company's offices, 115 Gr. Afxentiou Str., 2660 Kokkinotrimithia, tel.: 22835090, fax: 22835950, email: [info@froufrou.com.cy](mailto:info@froufrou.com.cy). The Annual Report will also be posted on the Company's website.
- b) It set the Annual General Meeting for Friday, 26 May 2016, at 5.30 p.m. at our Company's offices in Kokkinotrimithia. The relevant notice to the Annual General Meeting will be posted to all the shareholders.
- c) The Board of Directors will propose to the Annual General Meeting of the shareholders the payment of dividend of €1,008,379 (2015: €988,607), which corresponds to €0.0102 cents per share (2015: €0.01 cent) or 3.92% (2015: 3.85%) of the nominal value of the Company's share capital, corresponding to 2% increase compared to the dividend of 2015. The proposed dividend corresponds to a dividend yield of 4.5% on the average closing price of the share at €0.229 as at 31 December 2016. **This is the 15<sup>th</sup> consecutive year in which the Company pays an increased dividend.**

FOR ALKIS H. HADJIKYRIACOS  
(FROU FROU BISCUITS) PUBLIC LTD

Andreas Theocharides  
CFO