

Annual  
Report  
2019



AVRAMIDIS PANAGIOTIS • ADAMOPOULOS IOANNIS • ADELFIGIS ANTONIOS • APOSTOLOU KONSTANTINOS • ATHANASOPOULOS STAVROS • ALEXIADIS DIMITRIS • ANAGNOSTOPOULOS THODOROS • ANASTASIOU ELINA • ANDRIKOPOULOS ANTONIS • ANDREADIS NIKOLAOS • ANTONETSIS CHARALAMPOS • ANTONOPOULOS IOANNIS • ARGYRATOU EFTHYMIA • ARGYROPOULOU IOANNA • ARGYROS VASILEIOS • ASIMAKOPOULOS DIMITRIS • VAITSIS STEFANOS • VAZOYKIS VASSILIS • VELOUDOS SPYRIDON • VITTIS DIMITRIOS • VRYONI MAGDALINI • GAMILIARI AGELIKI • GAVRIIL IOANNIS • GARGANOURAKI MARISANTHI • GARGANOURAKIS NIKOLAOS • GEDEON MELPOMENI-MARIA • GEORGIADIS VASILIOS • GIANNOPOULOS GEORGIOS • GIANNOPOULOS KONSTANTINOS • DALKITZIS ELEFThERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS • DIMOU GIORGOS • DIMOU DIMITRIOS • DIMOU DIMITRIOS • DIALYNAS MANOLIS • DOUKAKIS GEORGIOS • DRANDAKI ELEFThERIA • ZAGORAKIS NIKOLAOS • ZAMPELIS IOANNIS • ZEPPOS CHRONIS • ZOGLOPITIS PANAGIOTIS • THEODORIDIS ILIAS • THEODOROPOULOU VASILIKI • KAITTANI PARASKEVI • KALAMARAS ANASTASIOS • KALFADELIS DIMITRIS • KALAVROS STAVROS • KARAMOUTZAS KOSTAS • KARASARIDOY ATHINA • KANDANOLEON EMMANOUIL • KANELLAKIS IOANNIS • KAPATSOS DIMITRIS • KAPOUKINIS PANAGIOTIS • KARACHALIOU PANAGIOTA • KARTALIA IOANNA • KARVELA ANASTASIA • KARRAS SPYRIDON • KIOUKIS IOANNIS • KIOULAFAS STERGIOS • KIRIAKIDOU EVA • KOTSIAS SPYROS • KOTSORONIS PANTELIS • KOVATSOS PANAGIOTIS • KOKKORI MARIA • KOKKORI CHRISTINA • KONTOGIANNI EVANTHIA • KONTOLAIMOS PANAGIOTIS • KOUNDOURAKIS GEORGIOS • KOUROUGIAOURIS KONSTANTINOS • KOUTSIOUMPA GEORGIA • KYPRAIOU CHRISTINA • LAZARIDIS ATHANASIOS • LAZOS ASIMAKIS • LENTA GEORGIA • LEONTARIDIS NIKOLAOS • LIAKOS LOUKAS • LOUKAS THEOFANIS • MANIATIS DIMITRIOS • MANOLIS ANASTASIOS • MANOLIS ANASTASIOS • MARGARONI IOANNA • MARKAKIS STYLIANOS • MASVOULAS DIMITRIOS • MAVRAKI ALIKI/NEFELI • MIZYTHRAS KONSTANTINOS • MITRAKI GIOTA • MITRAKI SOFIA • MIXALOUTSOS MICHALIS • BAIRAKTARIS GIORGOS • BARLAS NIKITAS • BAROUTIS VASILEIOS • BELLOS NIKOLAOS • BITHARA KYRIAKI • BONATSOS IOANNIS • BONH ELENI • BOULIS GIORGOS • BRAVOS GIORGOS • BOULIS GIORGOS • BRAVOS GIORGOS • XYGKAKIS CHRISTOS • XYDIAS NIKOLAOS • PANTELEIMONITIS • PASPALIARIS KOSTANTINOS • PES DIMITRIOS • PETROPOULOS PIPPOS VASILEIOS • PLAKAKIS ANTSTIOU PANAGIOTA • RAPTOU VI CHRYSA • SERIATOS DIMITRIS • SHALIA • TORPOUZIDIS ANASTASIOS • TSONOS NEKTARIOS • FLORIDIS NIKOLAOS • CHATZITHEODOSIOU DAS ELEFThERIOS • AVRAMIDIS STAVROS • ALEXIADIS DIMITRIS • ANTONETSIS CHARALAMPOS • ANTONOPOULOS DIMITRIS • VAITSIS AGELIKI • GAVRIIL IOANNIS • GARGANOURAKI MARISANTHI • GARGANOURAKIS NIKOLAOS • GEDEON MELPOMENI-MARIA • GEORGIADIS VASILIOS • GIANNOPOULOS GEORGIOS • GIANNOPOULOS KONSTANTINOS • DALKITZIS ELEFThERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS • DIMOU GIORGOS • DIMOU DIMITRIOS • DIMOU DIMITRIOS • DIALYNAS MANOLIS • DOUKAKIS GEORGIOS • DRANDAKI ELEFThERIA • ZAGORAKIS NIKOLAOS • ZAMPELIS IOANNIS • ZEPPOS CHRONIS • ZOGLOPITIS PANAGIOTIS • THEODORIDIS ILIAS • THEODOROPOULOU VASILIKI • KAITTANI PARASKEVI • KALAMARAS ANASTASIOS • KALFADELIS DIMITRIS • KALAVROS STAVROS • KARAMOUTZAS KOSTAS • KARASARIDOY ATHINA • KANDANOLEON EMMANOUIL • KANELLAKIS IOANNIS • KAPATSOS DIMITRIS • KAPOUKINIS PANAGIOTIS • KARACHALIOU PANAGIOTA • KARTALIA IOANNA • KARVELA ANASTASIA • KARRAS SPYRIDON • KIOUKIS IOANNIS • KIOULAFAS STERGIOS • KIRIAKIDOU EVA • KOTSIAS SPYROS • KOTSORONIS PANTELIS • KOVATSOS PANAGIOTIS • KOKKORI MARIA • KOKKORI CHRISTINA • KONTOGIANNI EVANTHIA • KONTOLAIMOS PANAGIOTIS • KOUNDOURAKIS GEORGIOS • KOUROUGIAOURIS KONSTANTINOS • KOUTSIOUMPA GEORGIA • KYPRAIOU CHRISTINA • LAZARIDIS ATHANASIOS • LAZOS ASIMAKIS • LENTA GEORGIA • LEONTARIDIS NIKOLAOS • LIAKOS LOUKAS • LOUKAS THEOFANIS • MANIATIS DIMITRIOS • MANOLIS ANASTASIOS • MANOLIS ANASTASIOS • MARGARONI IOANNA • MARKAKIS STYLIANOS • MASVOULAS DIMITRIOS • MAVRAKI ALIKI/NEFELI • MIZYTHRAS KONSTANTINOS • MITRAKI GIOTA • MITRAKI SOFIA • MIXALOUTSOS MICHALIS • BAIRAKTARIS GIORGOS • BARLAS NIKITAS • BAROUTIS VASILEIOS • BELLOS NIKOLAOS • BITHARA KYRIAKI • BONATSOS IOANNIS • BONH ELENI • BOULIS GIORGOS • BRAVOS GIORGOS

Our core purpose is:

To survive and grow  
in harmony  
with our values  
by creating superior  
and sustainable  
Economic Value  
for the prosperity  
of our people  
and of society

## RESULTS

As a whole, the market which our Group's products serve recorded an increase of 24% in 2019. Group sales increased by 24,7%, compared to 2018, and closed at €117.3m, due to increased market share in all sectors.

Amid the unprecedented global situation, we anticipate a decrease in the total market, at a rate that depends on the duration of this pandemic.

Group EBITDA increased by 19.0% to €7.3m compared to €6.2m in 2018.

Earnings before income tax increased by 31.2% to €5.6m (€4.2m in 2018) and earnings after income tax and minority interests increased also by 36.8% to €3.5m (€2.6m 2018).

Total bank borrowing decreased at €14.6m, (€16.6m in 2018). Net debt decreased also at €5.9m (€8.8m in 2018). Cash and cash equivalents increased at €8.7m (€7.8m as at 31.12.2018).

Equity amounted to €35.9m (€32.1m in 2018).

Free Cash Flow reached €2.5m (€1.1m in 2018).

The capital adequacy ratio (Equity as a percentage of Total Assets without Cash and Cash Equivalents) was 64.9% at 31.12.2019 (59.3% in 2018).

The Board of Directors will propose a dividend of € 0.10 per share.

## NEW BUSINESS ACTIVITIES

In early 2019, the Group entered the electric vehicle market, partnering with foreign firms active worldwide. A new business unit was created to oversee the agricultural and gardening equipment sector. In cooperation with top-level manufacturers abroad, this unit is promoting Geotec private-label products on the Greek market.

## INVESTMENTS

Investments in fixed assets amounted to approximately €860,000, and mainly pertained to the renovation of Company facilities. Investments of €620,000 have been budgeted for 2020, mainly for vehicles, IT and further upgrades to Company buildings for improved functionality.

The Board of Directors extends its warmest thanks to all of the Group's employees and associates, including local dealers, suppliers and subcontractors, for their dedication, exceptional professionalism and their outstanding performance in 2019.



M. K. Michaloutsos  
Chairman

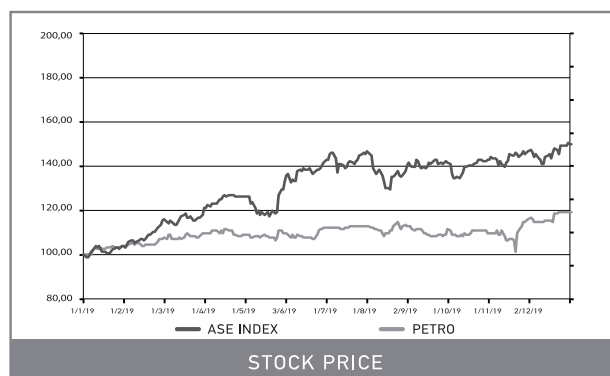
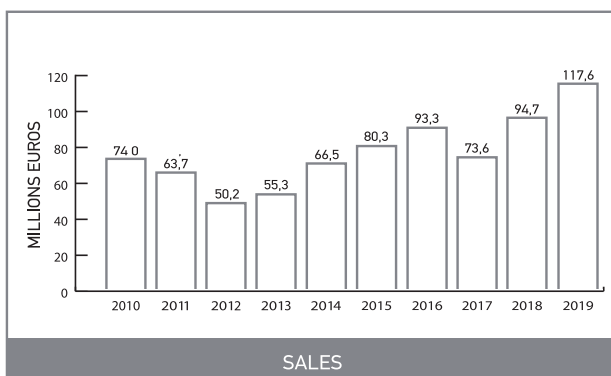
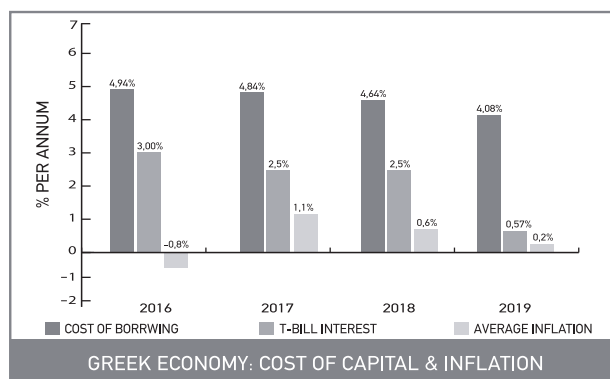
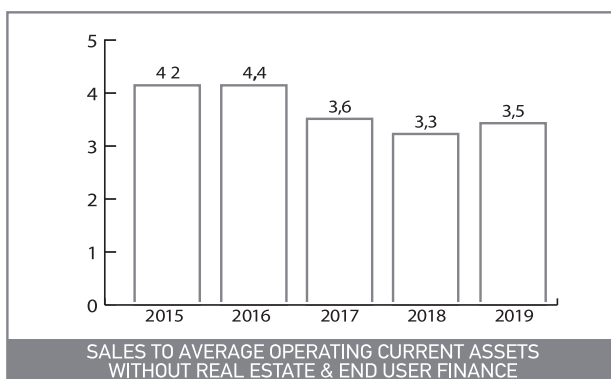


Theodoros Anagnostopoulos  
Managing Director

## Board of Directors

MICHALIS K. MICHALOUTSOS	Chairman Non Executive Member
MICHAEL E. ECONOMAKIS	Vice Chairman Independent Non Executive Member
THEODOROS B. ANAGNOSTOPOULOS	Managing Director Executive Member
GEORGE P. DRAKOS	Independent Non Executive Member
NIKOLAOS M. EBEOGLOU	Chairman of the Nominations Committee Independent Non Executive Member
JOHN M. KATSOURIDIS	Chairman of the Audit Committee Independent Non Executive Member
STEFANOS A. MANOS	Independent Non Executive Member
JOHN N. FILIOTIS	Chairman of the Executive Evaluation and Compensation Committee Independent Non Executive Member

The Board of Directors was elected by the Annual General Meeting of Shareholders on April 19, 2018 for a five year term. The Board holds four major meetings per year. The December meeting is devoted to approving the Business Plan and the Company's strategy for the next year. The April, July, and October meetings deal with the progress of the Business Plan and long-term issues.



PETROS PETROPOULOS GROUP

# Financial History IN THOUSAND €

	2019	2018	2017	2016	2015
Total Sales	117,593	94,757	73,619	93,282	80,292
Invoiced Sales	117,275	94,079	73,202	93,236	80,198
Gross Profit	19,419	17,763	14,716	15,628	14,705
(Percent of Invoiced Sales)	(16.6%)	(18.9%)	(20.1%)	(16.8%)	(18.3%)
Other Income	1,864	1,611	1,850	772	1,011
Marketing and Administrative Expenses	(14,692)	(13,964)	(11,750)	(11,799)	(11,355)
(Percent of Invoiced Sales)	(12.5%)	14.8%	16%	(12.7%)	(14.2%)
Depreciation Included	769	773	911	1,023	952
Operating Profit	6,591	5,410	4,816	4,601	4,361
(Percent of Invoiced Sales)	(5.6%)	(5.7%)	(6.5%)	(4.9%)	(5.4%)
Losses from Revaluation of Property Investments	-	(70)	(200)	(640)	(664)
Other Taxes	-	-	-	-	(1,156)
Net Financial Expense	(1,012)	(1,091)	(1,416)	(1,506)	(1,308)
Foreign Exchange Gain (Loss)	(19)	(12)	(19)	(19)	(15)
Net Profit / (Losses) Before Tax	5,560	4,237	3,181	2,436	1,218
(Percent of Invoiced Sales)	(4.7%)	(4.5%)	(4.3%)	(2.6%)	(1.5%)
Income Tax	(2,064)	(1,682)	(839)	(1,097)	(627)
Net Profit / (Losses) After Tax	3,496	2,555	2,342	1,339	591

## BALANCE SHEET ITEMS (As at 31 December)

Fixed & Long Term Assets	15,786	20,418	23,000	26,143	29,604
Current Assets	39,557	33,633	28,570	25,316	21,292
Cash & Securities	8,736	7,750	13,512	12,746	18,597
Total Assets	64,079	61,801	65,082	64,205	69,493
Short Term Liabilities	20,458	20,394	22,973	24,861	29,686
Long Term Liabilities	7,698	9,350	11,967	10,265	9,014
Net Worth	35,923	32,057	30,142	29,079	30,793

## EMPLOYMENT ITEMS

Average Number of Employees	146	138	111	111	113
Total Cost	6,718	6,595	5,181	5,208	5,634
Redundancy Compensation	130	653	77	99	331
Net Total Cost	6,588	5,942	5,104	5,109	5,303
Company Social Security Payments	1,247	1,134	960	938	957

## KEY RATIOS

Solvency 31/12 *	64.9%	59.3%	58.4%	56.5%	60.5%
Current Ratio	1.9	1.6	1.2	1.0	0.7
Total Employment Cost Per Person	45.1	43.1	46.0	46.0	46.9
Sales Per Employee	803	682	663	840	710
Weighted Average Number of Shares	7,070,400	7,006,507	7,070,400	6,999,918	6,992,898
Earnings / (Losses) per Share after Tax €	0.49	0.36	0.33	0.19	0.08
Capital Return per Share €	-	-	-	0.10	0.10
Dividend per share €	0.10	-	-	0.10	-

\* Equity as % of Total Assets without Cash and Securities

## BUSINESS UNIT

# Truck and Bus

In 2019, the overall new truck market remained at the previous year's low levels. A total of 235 trucks over 16 tonnes were registered in the Greek market.

Despite the relatively small Greek market, the Business Unit recorded a positive Economic Profit that was higher than initially projected and maintained its market share at 15%.

Long-haul Scania trucks maintain their lead position in the Greek market, with a share exceeding 32%.

The overall tourist and intercity bus market also remained at low levels, though the Business Unit delivered 10 Scania Touring buses, ideal for intercity routes.

The market for midi-buses with up to 30 seats remained at a low level. The Business Unit delivered 6 Isuzu buses to tourist agencies, and 14 Isuzu urban buses to Attica municipalities for municipal transport.

The promotion of the 8 metre Isuzu CITI LIFE bus, suitable for urban bus service (mainly in municipalities), will continue in 2020.

Scania is a worldwide leader in diesel engine fuel economy and low exhaust emission technologies. It sets stringent environmental management standards for all of its authorised service centres in Greece and around the globe.

### ACTIVITIES

Sales, modification, super-structures and technical support for: Scania trucks and buses, Isuzu buses, Getman mining equipment, Allison automatic transmissions and Kogel trailers.

### CUSTOMERS

International and national transport companies and drivers, tourism businesses, the public sector, public utilities, local administration organisations, private individuals, civil engineering contractors, sub-contractors, mines and quarries.

## BUSINESS UNIT

# Isuzu

### ISUZU PICK-UP TRUCKS

In 2019, the pick-up truck market noted a slight increase, mainly due to completed public sector tenders. The Business Unit recorded increased sales, which led to a rise in its Economic Profit and positive results overall.

The D-Max introduced in 2017 recovered its market share and, though it is due for replacement, still offers Greek users a comprehensive option.

The pick-up segment targets numerous categories of demanding professionals/users, attracting new customers and intensifying competition as buyer profiles change.

In the summer of 2020, the Isuzu D-Max line is expected to change completely, as it adopts a more modern interior and exterior design and a number of new technologies that will earn the brand an even higher rating.

In Bulgaria, the market has exhibited growth in professional vehicles. Isuzu's presence in 2019 was particularly enhanced, raising its market share to the average European level. With the introduction of the new model, the future course is expected to be just as satisfactory.

The reorganisation of the authorised dealer and repair shop network and adoption of new technological tools have led to a steady increase in sales and significantly greater brand recognition around the country.

### TRUCKS

The 3.5 to 8 tonne light truck market is still quite small, with sales mostly limited to public sector organisations. The number of vehicles sold by this Business Unit is small, but the market share stands at satisfactory levels.

The Isuzu N-Series Euro 6 trucks are the most comprehensive option in this market due to their low tare and resulting large payload, particularly with the new 1.9litre engine in trucks with a gross weight of 3.5 tonnes.

### VANS

The Business Unit is working to promote and establish the Maxus van line, which belongs to the Chinese giant SAIC. Following the import and unveiling of the fully electric model – the EV80, the Unit is expected to also present diesel models at a competitive price.

The Business Unit does not anticipate major changes in the market or its sales in 2020.

*As a worldwide leader in diesel engine manufacturing, Isuzu's vast know-how guarantees fuel economy and low exhaust emissions.*

### ACTIVITIES

Sales and technical support for Isuzu pick-ups and light trucks in Greece and Bulgaria, and for vans in Greece.

### CUSTOMERS

Farmers, professionals, delivery companies, construction companies and the public sector.

### NETWORK

The authorised dealer network consists of 47 points of sale and 49 repair shops throughout Greece.

ISUZU

## BUSINESS UNIT

# Jaguar Land Rover

The luxury car market closed 2019 with a slight increase of 4% over 2018, with most competing brands marking a marginal increase in registrations.

The JLR Business Unit's principal goal in 2019 was to increase registrations in the Greek market, which it managed to do, leading the Business Unit to a high market share well above the European average and to a positive Economic Profit.

Sales of Jaguar Land Rover vehicles in the Greek market were up by 46.4% in 2019, thanks to targeted actions and the arrival of the new Range Rover Evoque and the PHEV models of the Range Rover and Range Rover Sport.

Jaguar sales were up 3.3%, with the largest share attributed to the E-PACE. Contributing to this increase, though, was the arrival of the I-PACE, the make's first completely electric car, claiming 20% of Jaguar sales.

For 2020, the Business Unit anticipates a decrease in registrations, due to negative effects of Covid-19, hoping that the new PHEV models of 1500cc will mitigate this decrease by the end of the year. In combination with the expected changes in the tax system, car prices may prove to be more favorable for these cars.

One of the main Business Unit's priorities for 2020, is the expansion of JLR network to new areas.

The ability of the Land Rover and Range Rover vehicles to traverse even the most inaccessible terrains will be of vital importance for conservation groups working to protect the natural environment throughout the globe. At the same time, Land Rover's commitment to the Fragile Earth programme is a global promise aimed at ensuring that our activities have the least possible impact on the environment.

### ACTIVITIES

Sales and distribution of Jaguar, Land Rover and Range Rover cars and Jaguar, Land Rover, Range Rover and MG spare parts.

### CUSTOMERS

Private consumers and car rental companies.

### NETWORK

The official network consists of 2 points of sale and 3 authorised repair shops.



## BUSINESS UNIT

# Petrogen

The generating set market trended upward in 2019, mainly boosted by the tourism sector, with new investments in the hotel industry. The Business Unit met its targets with a positive Economic Profit and maintained its lead position on the market.

Amongst others, in 2019, the Business Unit delivered two gensets with parallel operating capacity of 1000 KVA each to a Robinson Club resort; 3 gensets with parallel operating capacity of 800 KVA to the Boehringer pharmaceutical company; 4 gensets to the Ikos Aria resort; 1 1375 KVA genset to the 401 General Military Hospital of Athens; 1 800 KVA genset to the Grotta Verde Grand Resort; and 1 880 KVA genset to the Xenia Florina Hotel.

The Business Unit has accumulated 55 years of experience in generating sets, with prestigious clients from all sectors, specialised personnel and the most sales in Greece.

The Unit has an organised network of authorised dealers providing technical support for generating sets and uninterruptible power sources (UPS) all over Greece and ensures that personnel receive regular training through seminars offered year-round to help them provide excellent customer service.

The high quality construction, product reliability and excellent value for money, combined with outstanding support in Greece and abroad, constitute the Petrogen Business Unit's competitive advantage and guarantee its future profitability.

The Business Unit is also active in sales and support of Exide Technologies industrial batteries, UPS and voltage stabilisers.

For 2020, the genset market is expected to remain stable. The main growth is expected from the materialization of construction projects. Investments in the tourism sector is expected to decrease due to Covid -19.

In 2019, the Petrogen Business Unit produced 52,500 KWh through the photovoltaic park and helped to reduce CO2 emissions by 52,500 kg.

## ACTIVITIES

Manufacturing, sales and technical support for Petrogen generating sets from 2 to 2500 KVA, Exide industrial batteries and UPS.

## CUSTOMERS

Manufacturing and construction companies, retailers, banks, telecommunication companies, shipping, hotels, hospitals, data centres, the Armed Forces, private consumers and the public sector.

## NETWORK

An official network of 30 authorised technical dealers operates throughout Greece.

**PETROGEN**  
**F.G. WILSON**  
**KOHLER**  
**EXIDE**

## BUSINESS UNIT

# Engines and Boats

### OUTBOARD MOTORS

The year 2019 was a year of continued stabilisation for the marine leisure sector, as the outboard motor market remained at 2018 levels.

The Business Unit retained its market share in the engine horsepower range and ended with a positive Economic Profit.

Tohatsu engines offer a full range of four-stroke engines from 2.5 to 50 hp. New, four-stroke 75/90/115 hp motors are expected in 2020 and should increase sales as the Unit expands its participation in the outboard motor market.

The Business Unit also supplies the Greek market with Evinrude E-TEC outboard motors (25 hp-115 hp), whose main advantages include their low weight, great torque, reliability, low emissions and ease of use. The new G2 motors (150 hp-300 hp), innovative in terms of both design and technology, have made a favourable impression thanks to their performance. The 115/140 and 150 hp 3 cyl. models were added to the Evinrude G2 range of motors in 2020.

### BOATS

Sales of Zodiac, Bombard and Avon boats for 2019 remained at 2018 levels, both in units sold and in value.

### PERSONAL WATERCRAFT (PWC)

Sales of personal watercraft in 2019 remained unchanged and at the level of the previous year.

### BOMBARDIER RECREATIONAL PRODUCTS-BRP (ATV-SSV-SPYDER)

Sales of BRPs (Outlander, Maverick) saw a decrease in sales in 2019, as they did not comply with all regulations of the new Euro 4 Emission Standard.

### DIESEL AND GASOLINE ENGINES

Industrial and marine diesel engine sales remained stable in 2019.

For 2020, a market decline is expected for the products the Business Unit represents, due to the negative effects of Covid-19 on the tourism sector.

### ACTIVITIES

Sales, modification and technical support for: Evinrude and Tohatsu outboard motors, Sea-Doo personal watercraft, Can-Am ATVs, Spyder motorcycles, Zodiac, Avon and Bombard inflatable and rigid inflatable boats, marine and industrial engines, marine generating sets and internal combustion engines.

### CUSTOMERS

Consumers, shipyards, importers of power boats, fishermen, fish farms, pleasure craft owners, equipment manufacturers and dealers, farmers and the public sector.

### NETWORK

A network of 70 dealers operates throughout Greece.

## BUSINESS UNIT

# Agricultural Equipment

In 2019, the agricultural machinery market did not grow as expected, mainly due to delays in the release of improvement plans. The overall market remained at 2018 levels, closing at 1,198 tractors.

The Agricultural Equipment Business Unit, with Landini and McCormick, was able to maintain its 15% market share with a positive Economic Profit despite difficulties.

Argo Tractors S.p.A., which manufactures Landini and McCormick tractors, replaced all of its models in 2019.

The new Landini REX 4 and McCormick X4F tractors with clean Euro 4 technology were introduced throughout Greece during the year in both cabin and platform versions of 70 hp to 120 hp to meet the needs of modern-day farmers.

The larger 7 and 8 series have been available on the market since early 2019 with a variety of models and versions ranging from 150 hp to 350 hp.

The new Landini and McCormick tractors are poised to set the standard in the market due to their advanced technology and important improvements, the large number of options available and their reliability.

For 2020, the Business Unit aims to maintain its share on the Greek market and its profitability.

McCormick and Landini machinery is fully compliant with international clean technology standards, with environmentally friendly engines that meet the stringent Tier 4 emissions guidelines and ensure a low environmental footprint.

## ACTIVITIES

Sales and technical support for: McCormick and Landini agricultural tractors, Galignani square and round balers, Enorossi soil preparation machines, and Sigma 4 agricultural loaders.

## CUSTOMERS

Farmers, agricultural and livestock breeding enterprises, public utilities, municipalities and communities.

## NETWORK

A network of 85 authorised dealers operates throughout Greece.

**LANDINI**  
**McCORMICK**  
**GALLIGNANI**  
**CELLI**

## BUSINESS UNIT

# Industrial Equipment

In 2019, the Business Unit kept its sales steady and its Economic Profit at 2018 levels.

### AIR COMPRESSORS

The industrial compressed air systems market remained steady, while the shipping sector showed significant improvement. In 2020, the Business Unit expects to improve its market share, capitalising on the capabilities of Ingersoll-Rand's integrated compressed air system solutions.

### COGENERATION SYSTEMS

The Business Unit kept its sales and its Economic Profit in the cogeneration system sector at steady levels. Once the changes to this market's operating framework have been implemented, the Unit's position in this particular activity will continue to improve in 2020.

In 2019, the Business Unit delivered the second 2G Avus 500 Plus unit to Xanthi, where total production is now up to 1MW. It also supplied a biogas processing unit with a capacity of 600 Nm<sup>3</sup>/h as part of the same project.

Ingersoll-Rand Nirvana compressors are leaders in energy economy. 2G Energy AG is amongst the world's leading manufacturers of cogeneration systems (CHP) for decentralised energy production and supply by means of combined heat and power generation with an overall degree of efficiency between 85% and 92%.

### ACTIVITIES

Sales, modification, design-assembly and technical support for: Ingersoll-Rand air compressors and air tools, Puregas compressed air dryer systems and 2G electrical cogeneration systems.

### CUSTOMERS

Industry, commerce, shipping, shipyards and telecommunication companies.

## BUSINESS UNIT

# Lubricants

The lubricants market, after its continuous decline over the last several years (-36% between 2010 and 2018 based on the latest ICAP sector study), in 2019 showed slightly upward trends (about +2%), while sales for the Business Unit increased by 6%. As a result, there was a further improvement in the Business Unit's market share, which is now estimated to be more than 10%. Most sectors in which the Business Unit is active contributing to the rising sales, though shipping made the largest contribution.

On a global level, Shell retained its number 1 position in the world rankings for the 13th consecutive year with a market share of 11%, making it the indisputable leader in lubricant production and distribution.

The Business Unit aims to cover the entire lubricants market.

- Shell offers both professional and non-professional drivers advanced technology lubricants for all modern engines, ensuring optimal lubrication conditions, high engine protection, fuel economy and reduced overall maintenance and operating costs as a result.
- For all industry sectors and for any specialized equipment, Shell's lubricants and services are designed to add value to the operation of industrial facilities by offering significant cost savings, helping to maximize equipment efficiency, prolonging their life and reducing unplanned maintenance interruptions.
- Shell lubricants offer state-of-the-art technology for marine customers by developing products, applications and technical support services that respond to ever-changing shipping needs.

The Business Unit, in close cooperation with Shell, provides premium technical support services such as used-oil analysis, lubrication guides and customized technical seminars in response to partner needs, in addition to lubricant sales. It is also active in ocean shipping, supplying lubricants to Shell customers in all of Greece's ports.

Unit's goals for 2020 are to deliver positive financial results and maintain its market share.

### ACTIVITIES

Sales and distribution of Shell lubricants in Greece and Cyprus.

### CUSTOMERS

Workshop, OEM importers, fleets, retail stations, industry, power generation, construction, quarries, cement sector, public organisations, shipping and aviation.

### NETWORK

A network of 30 selected resellers operates throughout Greece and Cyprus.

**SHELL  
LUBRICANTS**

## BUSINESS UNIT

# Batteries and Tires

### BATTERIES

The overall market in number of vehicle and boat batteries held steady in 2019. Unit sales remained at the same level as in 2018, with a satisfactory improvement in Economic Profit.

The Business Unit collaborates with two of the largest battery manufacturers:

- Exide, a leading vehicle and marine battery maker with a complete range of quality products that meet all electricity needs. Exide produces and distributes innovative products that incorporate all available applied technologies in the manufacture of lead acid batteries, such as the Start Stop AGM, EFB+ and deep discharge GEL batteries, meeting the growing needs of modern vehicles and boats.
- Hankook, with the Korean company's guaranteed high quality and best value for money in batteries providing a wide range of applications in vehicles and shipping.

Exports to Cyprus, North Macedonia and Albania rose, and the Business Unit realized a satisfactory increase in its market share.

### TIRES

The Business Unit entered the tire market in the second half of 2017 with the Cooper, Avon, Triangle and Interstate brands. The overall vehicle tire market (passenger cars, 4x4 SUVs, light trucks, trucks and motorcycles) showed signs of stability in 2019 in terms of units sold. Unit sales were higher and acceptance by segment professionals was very positive, with an impressive growth in its partner network.

The Unit's goal for 2020 is to maintain the battery and tire market share in Greece and abroad, and its positive Economic Profit.

The Company is an active participant in an alternative battery management system. (COMBATT S.A.).

### ACTIVITIES

Sales and distribution of Exide and Hankook batteries and Cooper, Avon, Starfire and Interstate tires.

### CUSTOMERS

Industry, commerce, shipping, shipyards and telecommunication companies, battery, lubricant, parts, tire resellers, tire repair centres, battery centres, electricians, car dealers and importers, authorised service centres, construction sector, shipping and private consumers.

### NETWORK

A network of more than 300 dealers operates in all of Greece, North Macedonia, Albania and Cyprus.

## BUSINESS UNIT

# Kubota

The agricultural tractor market remained at the same level as in 2018, as the much-anticipated approvals for improvement plans were not announced, with the exception of those for the Region of Attica released towards the end of December. Nevertheless, the Kubota Business Unit managed to increase its turnover by 40% and its agricultural tractor market share by 1.33%.

Continuing with its organised efforts, the Kubota Business Unit conducted numerous presentations of the tractors and several specialised machines throughout Greece.

In 2019, the Unit embarked upon a new partnership with the Spanish company iD-David, which specialises in building machinery for vineyards and which helped the Unit make its entrance into major wineries all over the country.

It is expected that approvals will be announced for all regions in 2020, and the Kubota Business Unit will be prepared to respond to the increased demand with the aim of further growing its market share. At the same time, it will continue to develop its sales of engines, excavators and mowers.

### ACTIVITIES

Sales and technical support for Kubota agricultural tractors, implements, mowers, excavators and engines, Agromelca collectors and other specialised farm equipment.

### CUSTOMERS

Farmers, agricultural and livestock enterprises, public utilities, municipalities, communities, hotels, construction companies and equipment manufacturers.

### NETWORK

A network of over 40 dealers operate throughout Greece.

**KUBOTA  
AGROMELCA  
ID-DAVID**

## BUSINESS UNIT

# Geotec

Most of 2019 was a preparatory period for the Geotec Business Unit. During the year, the Business Unit developed trademarks and logos, and designed a broad range of private-label products under the Geotec name in conjunction with top-level foreign manufacturers. It also secured agreements for exclusive distribution in Greece of the internationally recognised firms of Minelli Elettromeccanica, Blitz, Seakoo and Speed France.

The Unit began commercial operations in the last quarter of the year, concluding agreements with 180 stores and businesses in central and southern Greece, and managed to record a positive Economic Profit for November.

The year 2020 will be the first full year of operation for the Business Unit, aimed at expanding the network of cooperating stores throughout Greece and seeking out internal synergies with other Business Units.

Geotec's official public unveiling took place at the Agrotica trade show in Thessaloniki in January 2020 and will be followed by local product presentations throughout the year all over Greece.

The products marketed by the Geotec Business Unit are fully compliant with international clean technology standards for internal combustions engines and the latest European Union guidelines on pollutant and exhaust emissions.

### ACTIVITIES

Trade of agricultural, gardening and spraying machines, olive harvesters, industrial equipment, generators, general use engines, pumps, mowers, machinery implements and parts.

### CUSTOMERS

Agricultural and industrial stores, DIY chains, agronomists, machine manufacturers, agricultural and livestock breeding cooperatives, municipalities, communities and prefectures.

### NETWORK

A network of 188 selected dealers operate in central and southern Greece.



SUMMARY CONSOLIDATED

# Balance Sheet IN THOUSAND €

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Inventories	16,021	12,832
Accounts Receivable	18,044	16,826
Other Receivables	5,492	3,974
Cash & Securities	8,736	7,750
<b>TOTAL</b>	<b>48,293</b>	<b>41,382</b>
<b>NON CURRENT ASSETS</b>		
Intangible Assets	443	717
Tangible Assets	13,673	9,822
Investments in Real Estate	0	7,230
Accounts Receivable	319	335
Other Long Term Assets	1,352	2,314
<b>TOTAL</b>	<b>15,787</b>	<b>20,418</b>
<b>TOTAL ASSETS</b>	<b>64,080</b>	<b>61,800</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Short Term Bank Debt	8,889	8,954
Suppliers & Other Liabilities	8,328	7,527
Current Income Tax Payable	7	249
Customer Advances	1,607	1,964
Other Taxes Payable	1,185	960
Sundry Creditors	313	559
Other Short Term Liabilities	129	180
<b>TOTAL</b>	<b>20,458</b>	<b>20,393</b>
<b>LONG TERM LIABILITIES</b>		
Long Term Bank Debt	5,750	7,625
Staff Retirement Benefits Provisions	1,240	1,181
Other Long Term Liabilities	709	544
Income Tax Provisions		
<b>TOTAL</b>	<b>7,699</b>	<b>9,350</b>
Share Capital	6,575	6,575
Reserves	8,448	7,868
Profit Carried Forward	20,900	17,614
<b>TOTAL NET WORTH ATTRIBUTED TO SHAREHOLDERS</b>	<b>35,923</b>	<b>32,057</b>
Minority Rights	0	0
<b>TOTAL NET WORTH</b>	<b>35,923</b>	<b>32,057</b>
<b>TOTAL LIABILITIES</b>	<b>64,080</b>	<b>61,800</b>

CONSOLIDATED

# Profit & Loss Statement IN THOUSAND €

	2019	2018
TOTAL SALES	117,594	94,757
INVOICED SALES	117,275	94,079
Less: Cost of Goods Sold	(97,856)	(76,316)
Gross Profit	19,419	17,763
Plus: Other Operating Income	2,531	2,014
<b>TOTAL GROSS PROFIT AND OTHER OPERATING INCOME</b>	<b>21,950</b>	<b>19,777</b>
Less: General and Administrative Expenses	(3,056)	(3,514)
Sales Expenses	(11,635)	(10,540)
Other Expenses	(687)	(415)
<b>TOTAL OPERATING EXPENSE</b>	<b>(15,378)</b>	<b>(14,379)</b>
Losses from Revaluation of Property Investments	0	(70)
Other Taxes		
<b>OPERATING PROFIT</b>	<b>6,572</b>	<b>5,328</b>
Plus: Financial Income	47	46
Less: Financial Charges	(1,059)	(1,137)
<b>NET FINANCIAL CHARGES</b>	<b>(1,012)</b>	<b>(1,091)</b>
<b>NET PROFIT BEFORE TAX</b>	<b>5,560</b>	<b>4,237</b>
Less: Income Tax	(2,064)	(1,682)
<b>NET PROFIT AFTER TAX</b>	<b>3,496</b>	<b>2,555</b>
Depreciation Included in Expenses	769	773
Profit Attributable to:		
Company's Shareholders	3,496	2,555
Minority Shareholders		
<b>Earnings / (Losses) Per Share After Tax</b>	<b>0.49</b>	<b>0.36</b>

## NOTES

1. The consolidated financial statements of the Group of Companies led by Petros Petropoulos AEBE include the following companies: AEGEM AEBE, based in Athens, equity participation 100%, and PETROMOTOR BULGARIA EOOD, based in Sofia, equity participation 100%.

2. The number of employees at the end of fiscal year 2019 was 154.

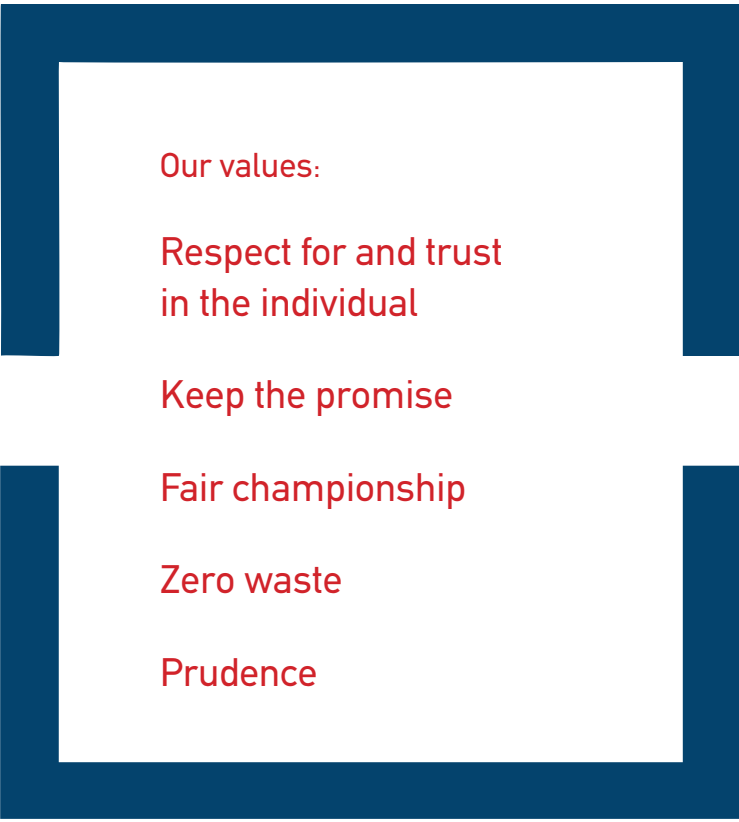
## AUDITORS' REPORT

Type of Auditor's Report: Unqualified opinion.

AVRAMIDIS PANAGIOTIS • ADAMOPOULOS IOANNIS • ADELFDIS ANTONIOS • APOSTOLOU KONSTANTINOS • ATHANASOPOULOS STAVROS • ALEXIADIS DIMITRIS • ANAGNOSTOPOULOS THODOROS • ANASTASIOU ELINA • ANDRIKOPOULOS ANTONIS • ANDREADIS NIKOLAOS • ANTONETSIS CHARALAMPOS • ANTONOPOULOS IOANNIS • ARGYRATOU EFTHYMIA • ARGYROPOULOU IOANNA • ARGYROS VASILEIOS • ASIMAKOPOULOS DIMITRIS • VAITSIS STEFANOS • VAZOYKIS VASSILIS • VELOUDOS SPYRIDON • VITTIS DIMITRIOS • VRYONI MAGDALINI • GAMILIARI AGELIKI • GAVRIIL IOANNIS • GARGANOURAKI MARISANTHI • GARGANOURAKIS NIKOLAOS • GEDEON MELPOMENI-MARIA • GEORGIADIS VASILIOS • GIANNOPOULOS GEORGIOS • GIANNOPOULOS KONSTANTINOS • DALKITZIS ELEFThERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS • DIMOU GIORGOS • DIMOU DIMITRIOS • DIMOU DIMITRIOS • DIALYNAS MANOLIS • DOUKAKIS GEORGIOS • DRANDAKI ELEFThERIA • ZAGORAKIS NIKOLAOS • ZAMPELIS IOANNIS • ZEPPOS CHRONIS • ZOGLOPITIS PANAGIOTIS • THEODORIDIS ILIAS • THEODOROPOULOU VASILIKI • KAITTANI PARASKEVI • KALAMARAS ANASTASIOS • KALFADELIS DIMITRIS • KALAVROS STAVROS • KARAMOUTZAS KOSTAS • KARASARIDOY ATHINA • KANDANOLEON EMMANOUIL • KANELLAKIS IOANNIS • KAPATSOS DIMITRIS • KAPOUKINIS PANAGIOTIS • KARACHALIOU PANAGIOTA • KARTALIA IOANNA • KARVELA ANASTASIA • KARRAS SPYRIDON • KIOUKIS IOANNIS • KIOULAFAS STERGIOS • KIRIAKIDOU EVA • KOTSIAS SPYROS • KOTSORONIS PANTELIS • KOVATSOS PANAGIOTIS • KOKKORI MARIA • KOKKORI CHRISTINA • KONTOGIANNI EVANTHIA • KONTOLAIMOS PANAGIOTIS • KOUNDOURAKIS GEORGIOS • KOUROUGIAOURIS KONSTANTINOS • KOUTSIOUMPA GEORGIA • KYPRAIOU CHRISTINA • LAZARIDIS ATHANASIOS

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LOUKAS • LOUKAS THEOFANIS • MASVOULAS DIMITRIOS • BAIRAKTARIS GIORGOS • BOULIS GIORGOS • BRAVOS GIORGOS • XYGKAKIS CHRISTOS • XYDIAS NIKOLAOS • PANTELEIMONITIS • PASPALIARIS KOSTANTINOS • PES DIMITRIOS • PETROPOULOS PIPPOS VASILEIOS • PLAKAKIS ANTSIOU PANAGIOTA • RAPTOU ANTONIOS • SERIATOS DIMITRIS • TORPOUZIDIS ANASTASIOS • TSONOS NEKTARIOS • FLORIDIS NIKOLAOS • CHATZITHEODOSIOU DIMITRIOS • AVRAMIDIS STAVROS • ALEXIADIS DIMITRIS • ANTONETSIS CHARALAMPOS • ANTONOPOULOS DIMITRIS • VAITSIS STEFANOS • GAMILIARI AGELIKI • GAVRIIL IOANNIS • GARGANOURAKI MARISANTHI • GARGANOURAKIS NIKOLAOS • GEDEON MELPOMENI-MARIA • GEORGIADIS VASILIOS • GIANNOPOULOS GEORGIOS • GIANNOPOULOS KONSTANTINOS • DALKITZIS ELEFThERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS • DIMOU GIORGOS • DIMOU DIMITRIOS • DIMOU DIMITRIOS • DIALYNAS MANOLIS • DOUKAKIS GEORGIOS • DRANDAKI ELEFThERIA • ZAGORAKIS NIKOLAOS • ZAMPELIS IOANNIS • ZEPPOS CHRONIS • ZOGLOPITIS PANAGIOTIS • THEODORIDIS ILIAS • THEODOROPOULOU VASILIKI • KAITTANI PARASKEVI • KALAMARAS ANASTASIOS • KALFADELIS DIMITRIS • KALAVROS STAVROS • KARAMOUTZAS KOSTAS • KARASARIDOY ATHINA • KANDANOLEON EMMANOUIL • KANELLAKIS IOANNIS • KAPATSOS DIMITRIS • KAPOUKINIS PANAGIOTIS • KARACHALIOU PANAGIOTA • KARTALIA IOANNA • KARVELA ANASTASIA • KARRAS SPYRIDON • KIOUKIS IOANNIS • KIOULAFAS STERGIOS • KIRIAKIDOU EVA • KOTSIAS SPYROS • KOTSORONIS PANTELIS • KOVATSOS PANAGIOTIS • KOKKORI MARIA • KOKKORI CHRISTINA • KONTOGIANNI EVANTHIA • KONTOLAIMOS PANAGIOTIS • KOUNDOURAKIS GEORGIOS • KOUROUGIAOURIS KONSTANTINOS • KOUTSIOUMPA GEORGIA • KYPRAIOU CHRISTINA • LAZARIDIS ATHANASIOS • LAZOS ASIMAKIS • LENTA GEORGIA • LEONTARIDIS NIKOLAOS • LIAKOS LOUKAS • LOUKAS THEOFANIS • MANIATIS DIMITRIOS • MANOLIS ANASTASIOS • MANOLIS ANASTASIOS • MARGARONI IOANNA • MARKAKIS STYLIANOS • MASVOULAS DIMITRIOS • MAVRAKI ALIKI/NEFELI • MIZYTHRAS KONSTANTINOS • MITRAKI GIOTA • MITRAKI SOFIA • MIXALOUTSOS MICHALIS • BAIRAKTARIS GIORGOS • BARLAS NIKITAS • BAROUTIS VASILEIOS • BELLOS NIKOLAOS • BITHARA KYRIAKI • BONATSOS IOANNIS • BONH ELENI • BOULIS GIORGOS • BRAVOS GIORGOS



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