IOLCUS INVESTMENTS S.A. A.I.F.M.

G.E.MI. Reg. No.: 117631101000

FINANCIAL STATEMENTS

AT 31 DECEMBER 2019

In accordance with the International Financial Reporting Standards - (IFRS)

CONTENTS

Report
of the Board of Directors
of
“IOLCUS INVESTMENTS S.A. A.I.F.M.”

Registered Office: Athens, G.E.MI. Reg. No.: 117631101000

Period 1.1.2019 - 31.12.2019
Eighth Year

Dear Shareholders,

We have the honour to submit herewith the Balance Sheet for the 8th financial year 1.1. - 31.12.2019, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows, prepared in accordance with the International Financial Reporting Standards (I.F.R.S.).

The financial statements of the company have been prepared by the company’s management in accordance with International Financial Reporting Standards (I.F.R.S.) as these have been published by the International Accounting Standards Board (IASB), as well as of their interpretations, as these have been published by the International Financial Reporting Interpretation Committee (I.F.R.I.C.) of IASB, which have been adopted by the European Union.

In the separate items of the statement of financial position is provided where appropriate, full explanation and analysis to the ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2019 according to I.F.R.S.

General information

1. The business model of the company

The Company under the name “IOLCUS INVESTMENTS ALTERNATIVE INVESTMENTS FUND MANAGERS S.A.” and the distinctive name “IOLCUS INVESTMENTS A.I.F.M. S.A.” is the continuation of IOLCUS INVESTMENTS S.A. which was merged by absorption with IOLCUS S.A. A.I.F.M., has its registered office in Athens, at 4, Vasilissis Sofias street, is registered with the General Commercial Registry with Reg. No. 117631101000 and its duration is fifty (50) years.

The Company’s scope of operation is the Alternative Investments Funds Management (AIFM) and the provision of ancillary investment services: Investor portfolio management, provision of investment advice and reception and transmission of orders, in the sense of the Law 4209/2013 in accordance with the licence 2/805/28.12.2018 granted by the Hellenic Capital Market Commission and in particular:

- The management of Alternative Investments Funds. The company is external Manager - external S.A. A.I.F.M. and its activity is laid down in articles 1-53 of l. 4209/2013.
- The provision of the following ancillary services:
  1) Investor portfolio management, including those belonging to pension funds and institutions for occupational retirement provision in accordance with the decision of the Prof. Ins. Inst./16/9.4.2003 "Conditions of operation of the Vocational Insurance Funds" of the Deputy Minister of Labour and Social Security (B'/462) according to clients' orders and for each client separately and
  2) Ancillary services
     1) Provision of investment advice
     2) reception and transmission of orders on behalf of customers for carrying out transactions in financial instruments, under article 5 of L. 3606/2007.

For achieving its objectives, the Company may collaborate with any natural or legal person and also establish subsidiaries, branches, agencies or offices in Greece or abroad and represent or distribute other Alternative Investments Funds.

The web site address of the Company is www.iolcus.gr.

The Company's Board of Directors consists of: Achilleas Kontogouris Chairman and Managing Director, Dimitrios Kortesis Vice Chairman, Angeliki Binaki and Archontissa Proestaki Members. Mr. Achilleas Kontogouris is the main shareholder of the company.

2. Objectives, core values and key strategies

The Company continues to develop new products, which contribute to the improvement of services rendered. Its main value and pursuit is building sincere and honest relationships with its clients. By attracting new associates, it aims to increase the company's client list.

3. Corporate governance structure - Management principles and internal management systems

The Company is governed by a four-member Board of Directors, which is elected by the General Meeting of shareholders.

The General Meeting of shareholders is the highest body of the company and is entitled to decide on each case concerning the company. Its decisions also bind the shareholders, which are absent or disagree.

The reallocation of the company's duties has been defined in detail and has been submitted to the competent body.

The Board of Directors meets whenever necessary and minutes are kept as in the General Meeting.

The management of the Company provides direction, leadership and an appropriate environment for its operation, in order to ensure that all of its available funds are fully used for achieving its objectives.

The policies of the Company are developed according to the regulatory framework and aim at its smooth operation.

The Company has an independent Internal Audit Department. For ensuring the independence and full transparency of operation of the Internal Audit Department, its operation is supervised by the B. of D.

4. Description of previous performance, value chain, property, plant and equipment and intangible assets

a) Previous performance

As it is also presented in the submitted financial statements, our company had profit Euro 634.797,38 as against profit Euro 28.106,80 in the previous year. The turnover for the closing year reached Euro 1.954.822,53 as against Euro 990.459,23 in the previous year. The administrative expenses amounted to a total of Euro 187.055,12 as against the corresponding expenses of Euro 194.551,96 in the previous year. The cost of sales in the present year amounted to Euro 928.658,10 as against Euro 717.457,78 in the previous year.

b) "Value chain"

All the Company's operations (main or supporting) are trying to "add value" to our customers.

c) Property, plant and equipment and Intangible assets

In 2019, the company in the context of relocation to a new seat proceeded with refurbishment of its new offices and purchase of new equipment.

5) Main risks:

The Company is constantly monitoring developments with the purpose of minimizing as much as possible its potential negative effects, which may arise from various events.

The usual financial and other risks and their management, to which the Company is exposed, are set out in detail in the Notes to the financial statements, which constitute an integral part of the financial statements. In brief, we set forth the following:

- Credit risk and Counterparty risk

- Remaining risk

- Concentration risk

- Market risk

- Operating risk

- Liquidity risk

- Capital risk

- Profitability risk

- Securitization risk

- Reputation risk and Regulatory Compliance risk

- Remuneration policy

Lastly, we point out that there are no material overdue liabilities to suppliers. Also, there are no suppliers with which the cooperation, if interrupted, would expose the Company's operation to risk.

6) Environmental issues:

The company recognizes its obligations towards the environment and the need of continuous improvement of its environmental performance, in order to achieve a balanced economic growth that is harmonised with the protection of the environment.

a) The Company's actual and potential impact on the environment

Because of its object, the Company does not produce much waste harmful to the environment.

b) Notification regarding the procedures applied by the Company for prevention and control of the pollution and the environmental impact from various factors

The Company, because of tis object, is not particularly harmful to the environment during the transfer-use and availability of its services and proceeds to collection of recyclable material.

c) Reference to the development of green products and services where available

This does not occur.

7) Labour issues:

The promotion of equal opportunities and the protection of diversity constitute basic principles of the Company. The Management of the company does not discriminate in the hiring/selection procedure, the fees, the training, the assignment of work tasks or any other working activities. The only factors that are taken into account are the experience, the personality, the theoretical knowledge, the qualifications, the efficiency and the abilities of each employee.

a) Policy of diversity and equal opportunities (irrespective of gender, religion, disadvantage or other aspects).

The Company in 2019 employed 18 employees of different gender and age and its established policy is to provide equal opportunities to employees, irrespective of gender, religion, disadvantage or other aspects.

b) Respect for employees' rights and trade union freedom.

The Company respects employees' rights and labour legislation. In the year 2019, there were no violations of the labour legislation.

In the Company, there is no employees' trade union.

c) Health and safety at work

Safety at work for employees is a top priority and a necessary prerequisite for the operation of the Company.

The Company has a "safety technician", in accordance with the applicable Law.

d) Training systems, promotion procedure etc.

The employees' selection and hiring procedures are applied on the basis of the qualification required for the position and without discriminations.

The Company trains systematically all categories of its employees, either with "internal" or "external" seminars.

Summary Explanation on the Financial Figures and the Financial Position of the Company

As regards the capital structure:

- The share capital of the company at 31.12.2019 amounts to Euro 900.000,00 divided in 300.000 registered shares with a par value of Euro 3,00 each and is fully paid.
- The total equity at 31.12.2019 amounts to Euro 1.491.430,27 as against Euro 856.632,89 in the previous year.
- The current assets of the company (€ 1.733.847,47) covers its current liabilities (€ 457.901,22).

1. Financial and non-financial performance ratios and additional explanations:

The basic financial ratios of the company for the year 2019 are as follows:

a) Financial and non-financial ratios

The financial ratios that show the company’s financial position are:

Financial Structure Ratios

		31/12/2019			**31/12/2018**		
Current Assets / Total Assets	=	1.733.847,47 / 2.113.823,10	=	82,02%	863.173,99 / 999.287,61	=	86,38%

		31/12/2019			**31/12/2018**		
Fixed Assets / Total Assets	=	379.975,63 / 2.113.823,10	=	17,98%	136.113,62 / 999.287,61	=	13,62%

The above ratios reflect the proportion of capital disposed for current and fixed assets.

		31/12/2019			**31/12/2018**		
Equity / Current and Non-current Liabilities	=	1.491.430,27 / 622.392,83	=	239,63%	856.632,89 / 142.654,72	=	600,49%

The above ratio reflects the degree of the Company’s financial independence (self-sufficiency).

		31/12/2019			31/12/2018		
Current and Non-current Liabilities / Total Liabilities	=	622.392,83 / 2.113.823,10	=	29,44%	142.654,72 / 999.287,61	=	14,28%

		31/12/2019			31/12/2018		
Equity / Total Liabilities	=	1.491.430,27 / 2.113.823,10	=	70,56%	856.632,89 / 999.287,61	=	85,72%

The above ratios reflect the borrowing dependence of the company.

		31/12/2019			31/12/2018		
Equity / Fixed Assets	=	1.491.430,27 / 379.975,63	=	392,51%	856.632,89 / 136.113,62	=	629,35%

This ratio reflects the degree of financing fixed assets by Equity Capital.

		31/12/2019			31/12/2018		
Current Assets / Current Liabilities	=	1.733.847,47 / 457.901,22	=	378,65%	863.173,99 / 108.095,68	=	798,53%

This ratio reflects the ability of the Company to cover its current liabilities with current assets.

Return on investment and Profitability ratios

		31/12/2019			31/12/2018		
Net Operating Results / Sales of Services	=	827.425,70 / 1.954.822,53	=	42,33%	63.723,99 / 990.459,23	=	6,43%

This ratio reflects the profitability of the company without taking into account the extraordinary and non-operating results.

		31/12/2019			31/12/2018		
Net Results for the Year Before Taxes / Total Income	=	840.664,41 / 1.975.867,58	=	42,55%	62.503,31 / 999.167,66	=	6,25%

This ratio reflects the total profitability of the company in comparison to its total income.

		31/12/2019		**31/12/2018**	
Net Results for the Year Before Taxes / Equity	=	840.664,41 / 1.491.430,27	= 56,37%	62.503,31 / 856.632,89	= 7,30%

This ratio reflects the return on capital employed.

		31/12/2018		**31/12/2017**	
Gross Operating Results / Sales of Services	=	1.026.164,43 / 1.954.822,53	= 52,49%	273.001,45 / 990.459,23	= 27,56%

This ratio reflects the quantity percentage of gross profit on the company's sales.

		31/12/2018		**31/12/2017**	
Net results for the Year Before Taxes / Total Assets	=	840.664,41 / 2.113.823,10	= 39,77%	62.503,31 / 999.287,61	= 6,25%

b) Non-financial performance ratios

The Company does not use such ratios.

2. Forecasted course of the company

The management of the Company is constantly monitoring developments and adjusting its moves, while constantly increasing its competitiveness and effectiveness.

The main purpose of the management for 2020 is the development of new products and services that will better respond to the needs of the existing as also of new categories of clients.

Regarding the managed funds and based on the data so far, we expect an increase by approximately 15-20%.

As regards the profit before taxes and, based on the data until now, our goal is to keep profits at 2019 levels.

The most significant events that are expected to affect the Company's course are:

(a) The course of the Greek economy and the big capitalization of Athens Stock Exchange companies,

(b) The global geopolitical developments and the course of the international stock markets, and

(c) The central banks policies and the course of the interest rates at international level.

Also, we note that until the preparation of the present report, there are no significant events which have occurred from the end of the closing year and which can significantly affect the Company's financial structure or business course.

3. <u>The Company's research and development activities</u>

The Company did not proceed to expenses or investments in the "research and development" field in the year 2019.

4. Information regarding the acquisition of treasury shares as provided in articles 49-51 of L. 4548/2018:

No "treasury shares" were acquired during the year 2019.

5. Branches of the Company

The company has no branches.

6. Information related to the use of financial instruments

This is of no material significance for the assessment of the assets and the liabilities in the Statement of Financial Position and the Statement of Comprehensive Income and there is no exposure to interest rate risk.

7. Foreign Currency available

The company holds deposits with UBS AG (Swiss) bank in Swiss Franc (CHF 7.899,05 / 1,0854 = € 7.277,55) and in Piraeus Bank kept in Swiss Franc (CHF 0,84 / 1,0854 = € 0,77) and in U.S. dollar (USD 4.402,74 / 1,1234 = € 3.919,12).

8. Property Assets of the Company

The company has no property assets.

9. Securities held by the Company

The company at 31 December 2019 held shares of a private company which are traded in the Cyprus Stock Exchange.

10. Significant losses that at the date of submission of this report either exist or are expected to arise

In the present year, the company presented profit amounting Euro 634.797,38 and the proposed distribution of profits (taking into account the legislation in force, articles 159-161 of L. 4548/2018) to the General Meeting of shareholders is:

Table of Distribution

Net results (profit) for the year	Euro	840.664,41
Plus: Loss carried forward	Euro	-47.629,88
Less: Income tax	Euro	-205.867,03
Balance for distribution	**Euro**	**587.167,50**
Distributed as under:		
Statutory reserve	Euro	29.358,38
Dividend to shareholders	Euro	490.000,00
Dividend to members of the BoD	Euro	40.000,00
Profit carried forward	Euro	27.809,12
Total distributed	**Euro**	**587.167,50**

Dear Shareholders,

By virtue of the above, you are kindly invited to approve the Financial Statements for the year 2019 (01.01.2019 - 31.12.2019).

Athens, 10 February 2020
For the Board of Directors

THE CHAIRMAN OF THE B. OF D. &
MANAGING DIRECTOR
Achilleas Kontogouris
ID. No. AE 031015

THE VICE CHAIRMAN
OF THE B. OF D.
Dimitrios Kortesis
ID. No. AI 525881

It is certified that the above Report of the Board of Directors, which comprises of ten (10) pages, is what is referred to, in the Independent Auditor's Report issued and submitted by us on 19/02/2020.

Athens, 19 February 2020

ELENI V. KARAGKOUNI
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 24111

Crowe
SOL S.A.
Member of Crowe Global

3, Fok. Negri Str., 112 57 Athens, Greece
Institute of CPA (SOEL) Reg. No. 125

Independent Auditor's Report

To the Shareholders of "IOLCUS INVESTMENTS S.A. A.I.F.M."

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of "IOLCUS INVESTMENTS S.A. A.I.F.M." (the Company), which comprise the statement of financial position as at 31 December 2019, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of "IOLCUS INVESTMENTS S.A. A.I.F.M." as at 31 December 2019, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company throughout our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Report on other Legal and Regulatory Requirements

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 of article 2 of L. 4336/2015 (part B'), we note that:

a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of the article 150 of L. 4548/2018 and its content corresponds with the accompanying financial statements for the year ended 31/12/2019.

b) Based on the knowledge we obtained during our audit of "IOLCUS INVESTMENTS S.A. A.I.F.M." and its environment, we have not identified any material misstatements in the Board of Directors' Report.

Athens, 19 February 2020

ELENI V. KARAGKOUNI
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 24111

SOL S.A.
Member of Crowe Global
3, Fok. Negri Str., 112 57 Athens, Greece
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Statement of Comprehensive Income

Amounts in Euro

	Note	01.01.2019-31.12.2019	01.01.2018-31.12.2018
Revenue (sales of services)	5.12	**1.954.822,53**	**990.459,23**
Cost of sales	5.13	-928.658,10	-717.457,78
Gross profit		**1.026.164,43**	**273.001,45**
Other operating income		1.187,29	7.679,29
Administrative expenses	5.13	-187.055,12	-194.551,96
Other operating expenses		-13.291,22	-22.404,79
Earnings/(loss) before taxes, financing and investing results (EBIT)		**827.005,38**	**63.723,99**
Finance Income	5.14	19.857,76	1.029,14
Finance costs	5.14	-6.198,73	-2.249,82
Profit/(loss) before income tax		**840.664,41**	**62.503,31**
Income tax expense	5.15	-205.867,03	-34.396,51
Profit/(loss) for the year		**634.797,38**	**28.106,80**
Earnings/(loss) net of tax per share Basic (in €)	5.16	2,1160	0,0937

Statement of Financial Position

Amounts in Euro

	Note	31.12.2019	31.12.2018
Assets			
Non-current assets			
Property, plant and equipment	5.1 & 5.11	312.922,87	63.580,77
Intangible assets	5.2	854,22	1.625,97
Deferred tax assets	5.8	5.648,54	5.306,88
Other non-current receivables	5.3	60.550,00	65.600,00
		379.975,63	**136.113,62**
Current assets			
Trade and other receivables	5.4	1.135.498,49	195.761,72
Other receivables	5.5	42.979,78	99.199,77
Other assets		48.328,80	28.000,00
Cash and cash equivalents	5.6	507.040,40	540.212,50
		1.733.847,47	**863.173,99**
Total Assets		**2.113.823,10**	**999.287,61**
Equity			
Share capital	5.7	900.000,00	900.000,00
Other reserves		4.262,77	4.262,77
Retained earnings		587.167,50	-47.629,88
Total Equity		**1.491.430,27**	**856.632,89**
Liabilities			
Non-current liabilities			
Finance lease obligations	5.11	117.045,47	0,00
Deferred tax liabilities	5.8	3.976,39	2.718,43
Employee retirement benefits	5.9	43.469,75	31.840,61
		164.491,61	**34.559,04**
Current liabilities	5.10		
Trade and other payables		42.255,80	24.628,83
Current tax liabilities		281.453,65	50.601,21
Finance lease obligations	5.11	67.781,31	0,00
Other liabilities		66.410,46	32.865,64
		457.901,22	**108.095,68**
Total Liabilities		**622.392,83**	**142.654,72**
Total Equity and Liabilities		**2.113.823,10**	**999.287,61**

Statement of Changes in Equity

Amounts in Euro

	Note	Share Capital	Other Reserves	Retained Earnings	Total
Balance at 01/01/2018		**889.000,00**	**4.262,77**	**(75.736,68)**	**827.526,09**
Changes 01/01/2018-31/12/2018					
Increase of share capital		1.000,00	0,00	0,00	1.000,00
Net results (profit) for the year		0,00	0,00	28.106,80	28.106,80
Profit/(loss) for the year		**1.000,00**	**0,00**	**28.106,80**	**29.106,80**
Balance equity at 31/12/2018		**900.000,00**	**4.262,77**	**(47.629,88)**	**856.632,89**
Balance at 01/01/2019		**900.000,00**	**4.262,77**	**(47.629,88)**	**856.632,89**
Changes 01/01/2019-31/12/2019					
Net results (profit) for the year		0,00	0,00	634.797,38	634.797,38
Profit/(loss) for the year		**0,00**	**0,00**	**634.797,38**	**634.797,38**
Balance equity at 31/12/2019		**900.000,00**	**4.262,77**	**587.167,50**	**1.491.430,27**

Statement of Cash Flows

Amounts in Euro

	01.01.2019-31.12.2019	**01.01.2018-31.12.2018**
Cash flows from operating activities		
Profit/(loss) before taxes	840.664,41	62.503,31
Plus/less adjustments for:		
Depreciation	88.299,26	15.657,65
Provisions	11.629,14	3.489,79
Profit from sale of assets	0,00	0,00
Results (income, expenses, profit and losses) from investing activities	-19.437,44	-3.729,14
Interest expense and similar charges	6.198,73	2.249,82
Operating results before adjustments of working capital	**927.354,10**	**80.171,43**
Plus/Less adjustments of working capital to net cash or related to operating activities:		
Decrease/(increase) of receivables	-878.466,78	751.138,03
Decrease/(increase) of payable accounts (except Banks)	282.024,24	-294.150,89
Less:		
Interest expense and similar charges paid	-6.198,73	-2.249,82
Income tax paid	-204.950,74	-37.886,30
Net cash generated from operating activities (a)	**119.762,09**	**497.022,45**
Cash flows from investing activities		
Purchases of property, plant and equipment (PPE) and of intangible assets	-336.869,61	-9.458,86
Proceeds from sales of property, plant and equipment and intangible assets	0,00	0,00
Purchases of securities	-14.422,98	-25.300,00
Sales of securities	12.627,78	0,00
Interest and other finance income received	903,84	1.029,14
Net cash used in investing activities (b)	**-337.760,97**	**-33.729,72**
Cash flows from financing activities		
Increase of share capital	0,00	1.000,00
Proceeds on issued/raised bank borrowings	251.995,02	0,00
Repayment of finance lease obligations (instalments for paying off the debt)	-67.168,24	0,00
Net cash used in financing activities (c)	**184.826,78**	**1.000,00**
Net increase/(decrease) in cash and cash equivalents for period (a) + (b) + (c)	**-33.172,10**	**464.292,73**
Cash and cash equivalents at beginning of the year	540.212,50	75.919,77
Cash and cash equivalents at end of the year	**507.040,40**	**540.212,50**

Notes to the financial statements

1. General Information about the Company

The business model of the company

The Company under the name "IOLCUS INVESTMENTS ALTERNATIVE INVESTMENTS FUND MANAGERS S.A." and the distinctive name "IOLCUS INVESTMENTS A.I.F.M. S.A." is the continuation of IOLCUS INVESTMENTS S.A. which was merged by absorption with IOLCUS S.A. A.I.F.M., has its registered office in Athens, at 15, Karneadou street, is registered with the General Commercial Registry with Reg. No. 117631101000 and its duration is fifty (50) years.

The Company's scope of operation is the Alternative Investments Funds Management (AIFM) and the provision of ancillary investment services: Investor portfolio management, provision of investment advice and reception and transmission of orders, in the sense of the Law 4209/2013 in accordance with the licence 2/805/28.12.2018 granted by the Hellenic Capital Market Commission and in particular:

- The management of Alternative Investments Funds. The company is external Manager - external S.A. A.I.F.M. and its activity is laid down in articles 1-53 of l. 4209/2013.

- The provision of the following ancillary services:

  1) Investor portfolio management, including those belonging to pension funds and institutions for occupational retirement provision in accordance with the decision of the Prof. Ins. Inst./16/9.4.2003 "Conditions of operation of the Vocational Insurance Funds" of the Deputy Minister of Labour and Social Security (B'/462) according to clients' orders and for each client separately and

  2) Ancillary services

     2.1) Provision of investment advice
     2.2) reception and transmission of orders on behalf of customers for carrying out transactions in financial instruments, under article 5 of L. 3606/2007.

For achieving its objectives, the Company may collaborate with any natural or legal person and also establish subsidiaries, branches, agencies or offices in Greece or abroad and represent or distribute other Alternative Investments Funds.

The web site address of the Company is www.iolcus.gr

The financial statements have been approved for issue by the Board of Directors of the company on 10 February 2020.

2. Principal accounting policies

2.1 Basis of preparation of financial statements

The present financial statements of "IOLCUS INVESTMENTS S.A. A.I.F.M." at 31 December 2019 cover the period from 1 January 2019 to 31 December 2019 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The company is not subject to the provisions of the Law 4308/2014 for the preparation of financial statements according to the Greek Accounting Standards taking into account the provisions of the article 1 paragraph 3.

These financial statements at 31 December 2019 have been prepared under the historical cost convention, as modified by the adjustment of financial instruments at fair value through profit or loss and financial assets and financial liabilities at fair value through profit or loss and the going concern principle.

The amounts included in the financial statements are expressed in Euro.

2.2 Segment reporting

The Company provides financial investment services. These services are the only activity of the Company and the total of these services is provided within the country (Greece). Therefore, no further analysis by business segment and geographical segment is required.

2.3 Foreign currency translation

The items included in the financial statements of the company are measured and presented in Euro, which is the company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions during the year and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.4 Property, plant and equipment

Property, plant and equipment, is initially stated at acquisition cost. Subsequently is measured as follows:

(a) Own used assets are measured at adjusted (fair) values. Valuations are made by external independent valuers when there are significant changes in their value. Revaluation differences (revaluation surplus) are recognised in other reserves in the statement of comprehensive income. Depreciation is calculated on re-valued amounts.

(b) All other own used property, plant and equipment is stated at acquisition cost less depreciation and any impairment.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method over their estimated useful lives, as follows:

Assets	**Useful life**
- Buildings	12 years
- Vehicles	10 years
- Furniture, fittings and other equipment	3-10 years

The assets’ residual values and useful lives are reviewed at each balance sheet date. If the asset’s carrying amount is greater than its estimated recoverable amount, the difference (impairment) is recognised immediately as an expense in the statement of comprehensive income.

An item of property, plant and equipment is eliminated from the balance sheet on disposal or when no future economic benefits are expected from its use or disposal. The difference between the proceeds and the carrying amount is recognised in the statement of comprehensive income. When re-valued assets are sold or eliminated, the changes in revaluations surplus can be transferred to retained earnings in subsequent periods.

2.5 Intangible assets

Intangible assets include computer software the carrying amount of which includes the costs incurred to acquire and bring to use the specific software less amortisation and any impairment loss. Significant subsequent costs are recognised as part of intangible assets when they increase the software performance beyond the initial specifications.

Amortisation is calculated using the straight-line method over the estimated useful life of the assets, which is 4 years. The residual value of computer software is considered zero.

2.6 Impairment of non-financial assets

Assets that are monitored at recoverable amount are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognised when the carrying amount of an asset exceeds their recoverable amount.

An impairment loss is recognised in the statement of comprehensive income as incurred.

The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use.

Value in use is the present value of the future cash flows expected to be derived from the continuing use of an asset and its disposal at the end of its useful life.

2.7 Trade receivables (customers & stock exchange)

Trade receivables (customers & stock exchange) are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate, less impairment loss. An impairment loss (loss from doubtful debts) is established when there is objective evidence that the Company will not be able to collect all amounts due according to the contractual terms. The amount of the impairment loss is the difference between the asset’s carrying amount and the present value of estimated future cash flows. The amount of the impairment loss is recognised as an expense in the statement of comprehensive income.

2.8 Cash and cash equivalents

Cash and cash equivalents, includes cash in hand and current deposits.

2.9 Share capital

The share capital includes the ordinary shares of the Company.

All new shares issued are recognised in equity at their nominal value.

Any proceeds from above par amount arising from issue of shares is included as reserve in the “share premium”. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax from the proceeds.

2.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Contingent liabilities are disclosed, unless the likelihood of an outflow is small.

Contingent claims are not recognised in the financial statements but disclosed when the inflow of financial benefits is likely.

2.11 Employee defined benefit obligations

(1) Short-term benefits

Short-term benefits to employees in money and in kind are recognised as an expense when they are accrued.

(2) Post-employment benefits

The obligations that arise from defined benefit plans are calculated at the discounted value of the employee future benefits that are accrued at the balance sheet date. The commitment of benefit obligation is calculated annually by independent actuary using the projected unit credit method. The net cost for the year is included in profit and loss and consists of the present value of the benefits that are accrued within the year, the computation of interest on future obligation, the past service vested cost and the actuarial gains or losses.

2.12 Income tax and deferred tax

Income tax includes current tax, deferred tax and the provision for additional taxes that may arise at an audit by the tax authorities.

Current income tax is the expected tax liability on the year’s taxable income, using the effective tax rates.

Deferred income tax is provided, using the liability method of the Balance Sheet, on temporary differences arising between the carrying amounts and the tax base of assets and liabilities attributed according to the tax law and concerns tax charge or tax relief associated with the economic benefits that arise in the year but have already been assessed or will be assessed by the tax authorities in different periods.

Deferred income tax is determined using tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Provisions for additional taxes that may arise at an audit by the tax authorities are made to the extent that it is estimated that they will finally charge the year.

Income tax is recognised as an expense or income in the statement of comprehensive income. Tax concerning transactions recognised in other comprehensive income is recognised in other comprehensive income.

2.13 Revenue recognition and expenses

Revenue is recognised as follows:

a) Sales of services
Income from sales of services is recognised on the date in which the services are rendered.

b) Interest income

Interest income is recognised in the statement of comprehensive income on an accruals basis for all interest bearing instruments, using the effective interest method.

Expenses are recognised in the statement of comprehensive income on an accruals basis. Payments made under operating leases are recognised as an expense in the statement of comprehensive income over the period of the lease.

2.14 Earnings per share

Basic and diluted earnings per share, is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

2.15 Dividend distribution

Dividend distribution to the company’s shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the General Meeting of Shareholders.

2.16 Comparatives

Where deemed expedient the comparative records of the previous year are adjusted in order to cover changes in the presentation of the present year. Differences presented between the amounts in the financial statements and the respective amounts in the notes result from rounding differences. In the present year, the comparatives concern the seventh (7^{th}) financial year (01.01.2018 - 31.12.2018) of “IOLCUS INVESTMENTS S.A. A.I.F.M.”.

2.17 Leases (IAS 16)

In the year 2019 the company adopted the standard IFRS 16 and as required by the IAS 34, the nature and the impact of these changes that arose from this adoption are presented below (paragraph 2.18 of the present). Except where otherwise stated, the other amendments and interpretations applicable for first time in the year 2019, have no impact on the financial statements of the company.

The impact from the application was recognised in the respective items of the financial statements and did not restate the comparative information.

The company elected to use the exemptions provided by the standard for leases for which the lease term is 12 months or less from the date of initial application. It is noted that the company for leases terminating within the year 2019 and which, however, are expected to be renewed, performed impact assessment for their renewal.

In particular it was applied to:

- lease of building (lease term 3 years)
- lease of software applications (implicit annual renewal, estimate that the lease that started in 2019 will last 10 years)

2.18 New standards, amendments to existing standards and interpretations

New standards, amendments to existing standards and interpretations have been issued and their application is mandatory for annual periods beginning on or after 1 January 2019. The Company has not earlier adopted standards, interpretations or amendments that have been issued but of no mandatory application in the year 2019.

In the year 2019 the Company adopted the standard IFRS 16 and as required by the IAS 34, the nature and the impact of these changes that arose from this adoption are presented below. Except where otherwise stated, the other amendments and interpretations applicable for first time in the year 2019, have no impact on the financial statements of the Company. The Company has not earlier adopted standards, interpretations or amendments that have been issued by the IASB and approved by the European Union but of no mandatory application in the year 2019.

The effect from the adoption of these new standards, amendments and interpretations is set out below:

<u>Standards and Interpretations mandatory for the current financial year 2019</u>

IFRS 16 “Leases”

On 13 January 2016, the International Accounting Standards Board (IASB) issued the IFRS 16, which superseded the IAS 17 and the Interpretations IFRIC 4, IFRIC 15 and IFRIC 27. Purpose of the standard is to ensure that lessors and lessees provide useful information that presents fairly the substance of the transactions concerning leases. The IFRS 16 introduces a single lessee accounting model on lessee’s side, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. An asset at initial recognition consists of the amount of the initial measurement of the lease liability, the initial direct costs, any prepaid lease payments and the estimate of the cost arising from the obligation for restoration of the asset. A lease liability at initial recognition consists of the present value of the remaining lease payments. For the accounting, on the lessor’s side, the IFRS 16 substantially incorporates the requirements of the IAS 17. Consequently, lessors continue to classify leases as operating or finance, and follow different lessor accounting for each type of contract. The new standard was applied in the annual period that has begun on 1 January 2019.

The required disclosures regarding the application of the standard in the present year are included in Note 5.11.

Transition to IFRS 16

The company adopted IFRS 16 within the reporting period on 1.1.2019 (the lease contracts started in 2019 or renewed in 2019 because of lease term of less than 12 months) recognising the effect in the corresponding items of the financial statements and did not restate the comparative information.

Also, the Company at transition elected the following practical expedients provided by the standard:

- applied a single discount rate to each class of lease
- used acquired knowledge for the determination of the lease term if the contract contains rights to extend or terminate the lease and
- for the determination of the cost of the right-of-use asset considered that this is equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments concerning this lease and which had been recognised in the balance sheet prior to the date of initial application.

The company elected to make use of the standard’s exemptions for the leases with a remaining lease term of less than 12 months at the date of initial application. It is noted that the company for the leases

terminating within the year 2019 that, however, is expected to be renewed, made estimates for their renewal.
The Company used the single interest rate (IBR) to discount the remaining future lease payments which it determined using as reporting interest the interest of secured funding.

In summary the effects from the adoption of IFRS 16 are set out below (and in Note 5.11):

Impact on the Statement of Financial Position

(increase at 31 December 2019):

Non-Current assets

- Tangible assets Euro 251.995,02

Liabilities

- Lease contracts (non-current) Euro 117.045,47
- Lease contracts (current) Euro 67.781,31
- Deferred tax liabilities (offset) Euro 901,85

Net impact on Equity

Impact on the Statement of Comprehensive Income

(increase at 31 December 2019):

- Depreciation (included by 90% in Cost of sales and by 10% in Administrative expenses) Euro 63.410,54
- Operating lease expenses (included in Finance Costs) Euro 3.631,77
- Result from adjustment to IFRS 16 Euro 775,92

Annual Improvements to IFRSs 2015-2017 Cycle

In the context of the Annual Improvements to IFRSs the IASB issued on 12 December 2017, non-urgent but necessary amendments to separate standards as follows:

IFRS 3 Business Combinations and IFRS 11 Joint Arrangements

The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business.

The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. In such cases, the interests previously held in a joint operation are not measured again.

IAS 12 Income Taxes

The IASB by the amendments to IAS 12 clarified that an entity shall recognise all the income tax consequences of dividends distribution in profit or loss, in other comprehensive income or in equity, depending on where the transactions or events that generated distributable profits and dividend thereof are initially recognised.

IAS 23 Borrowing Costs

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

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

In October 2017, the IASB issued amendments to IAS 28 “Investments in Associates and Joint Ventures”. In this amendment, the IASB clarified that the exclusion in IFRS 9 applies only to interests a company accounts for using the equity method. Entities shall apply IFRS 9 to other interests in associates and joint ventures, including long-term interests to which the equity method is not applied and in substance, form part of the net investment in those associates and joint ventures.

The amendment is applicable for annual periods beginning on or after 1 January 2019. The amendment is not expected to have a material impact on the financial statements of the Company.

IAS 19 (Amendment) “Employee Benefits - Plan Amendment, Curtailment or Settlement”

On 7 February 2018 the International Accounting Standards Board (IASB) issued amendments to IAS 19 that specify how companies determine pension expenses when changes to a defined benefit pension plan occur. When a change to a plan -an amendment, curtailment or settlement- takes place, IAS 19 requires a company to remeasure its net defined liability or asset. The amendment to IAS 19 requires a company to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. Also, by the amendment to IAS 19 is clarified the impact of an amendment, curtailment or settlement on plan assets with regard to the limitation in recognising the net defined benefit asset (maximum asset ceiling). The amendment is applicable for annual periods beginning on or after 1 January 2019. The amendment is not expected to have a material impact on the financial statements of the Company.

IFRIC 23 Interpretation “Uncertainty over Income Tax Treatments”

The Interpretation 23 was issued by the IASB on 7 June 2017. Interpretation 23 is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. In such case should be considered:

- whether tax treatments should be considered collectively or independently and on the assumption that the examinations will be done by the taxation authorities having full knowledge of all relevant information:

  - it is probable that the taxation Authorities will accept the entity’s determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates and

  - an entity has to reassess its judgements and estimates if facts and circumstances change.

The Interpretation is applicable for annual periods beginning on or after 1 January 2019.

IFRS 9 (Amendment) “Financial Instruments - Prepayment features with negative compensation”

On 12 October 2017 the IASB issued an amendment to IFRS 9 that allows financial assets with prepayment features with negative compensation that otherwise would be measured at fair value through profit or loss to be measured at amortised cost or at fair value through other comprehensive income recognised directly in equity. The amendment to IFRS 9 clarifies that the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding irrespective of the fact that causes early termination of the contract and irrespective of which of the parties to a contract either pays or receives the reasonable compensation for the early termination of the contract.

IFRS 9 is mandatory for annual periods beginning on or after 1 January 2018.

The relevant amendments do not have material impact on the financial statements of the company, taking into account that is not exposed to credit risk (loss/impairment) from its customer claims, as its remuneration is a minimum percentage (<0,40%) of the value of each client’s portfolio, which is invested in a sufficient number of securities, so as to apply significant risk dispersion.

Standards and Interpretations mandatory for subsequent periods that have not been earlier applied by the company

The amendments below is not expected to have a material impact on the financial statements of the Company, unless otherwise stated.

Amendments to References to the Conceptual Framework in IFRS Standards (issued on 29 March 2018)

On 29 March 2018 the International Accounting Standards Board (IASB) issued the revised conceptual framework which includes:

- the objective of financial reporting,
- the qualitative characteristics of useful financial information,
- the definitions of an entity’s assets, liabilities, equity, income and expenses,
- the criteria for recognition and guidance on derecognition of assets and liabilities in the financial statements
- the measurement bases and guidance about the way they should be used and,
- concepts and guidance on presentation and disclosure.

The purpose of the conceptual framework’s revision is to help preparers of financial statements to develop consistent accounting policies for transactions or other areas that are not covered by a standard or where there is choice of accounting policy. Also, the revision’s purpose is to assist all parties to understand and interpret IFRS.

The International Accounting Standards Board (IASB) has also issued a complementary document, Amendments to References to the Conceptual Framework in IFRS Standards, which contains amendments to the standards that are affected in order to update the references to the revised conceptual framework.

The amendment is applicable by preparers developing accounting policies by reference to the conceptual framework, for annual periods beginning on or after 1 January 2020.

IAS 1 and IAS 8 (Amendments) “Definition of Material”

On 31 October 2018 the International Accounting Standards Board (IASB) in the context of disclosure initiative issued amendments to the definition of material in IAS 1 and IAS 8, which clarify the definition of material and the way by which it should be applied, including in the definition application guidance that till now has been referred to in other IFRSs. The amended definition is: Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The definition of material that constitutes a significant accounting concept in IFRS, assists entities to decide about whether information shall be included in their financial statements. The final definition amended IAS 1 “Presentation of Financial Statements” and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. The amendment ensures that the definition of material is consistent across all IFRS Standards. The amendment takes effect on or after 1 January 2020.

IFRS 9, IAS 39, IFRS 7 (Amendments) "Interest Rate Benchmark Reform"

On 26 September 2019 the International Accounting Standards Board (IASB) issued amendments to standards IFRS 9, IAS 39 and IFRS 7 in response to the effects on financial reporting arising from the reform of interest-rate benchmarks during the period prior to the replacement of an existing benchmark interest rate with an alternative interest rate. The amendments provide temporary and limited relief from applying specific hedge accounting requirements under International Accounting Standard (IAS) 39 Financial Instruments: Recognition and Measurement and the International Financial Reporting Standard (IFRS) 9 Financial Instruments, so as entities to be able to continue meeting the requirements assuming that the existing criteria of interest-rate benchmarks are not altered by the IBOR Reform.

The exceptions concern the application of the following provisions:

- The highly probable requirement as regards hedged cash flows
- The prospective assessments-economic relationship and highly effective hedge
- The designation of a risk component as hedged item

The amendment is applicable for annual periods beginning on or after 1 January 2020.

Standards and interpretations mandatory for subsequent periods that have not been earlier applied by the Company and have not been approved by the E.U.:

IFRS 17 "Insurance Contracts"

On 18 May 2017 the International Accounting Standards Board (IASB) issued the IFRS 17 replacing the existing standard IFRS 4.

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully presents those contracts. It provides the comprehensive model of valuation approach and presentation for all types of insurance contracts.

The IFRS 17 requires the measurement of insurance contract liabilities to be made not at historical cost but at the present value by way consistent also with the use of:

- unbiased, probability-weighted estimate of the present value of the future cash flows based on updated assumptions,
- discount rates that reflect the characteristics of the cash flows of the insurance contracts, and
- estimates about the financial and non-financial risk that arises from the issue of insurance contracts.

The new standard is applicable for annual periods beginning on or after 1 January 2021.

It is also noted that in November 2018 the IASB proposed to postpone the mandatory date of the new standard to 1.1.2022.

IFRS 3 (Amendment) “Business Combinations”

This amendment concerns improvement of the definition of a business aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amended definition of a business focuses on the produced outputs of a business that is goods and services provided to customers, while the previous definition was focusing on returns by form of dividends, lower cost or other economic benefit directly to investors or other owners, members or participants.

In addition after the amendment guidance is added to evaluate the extent to which an acquired process is a substantive process and an optional fair value concentration test with illustrative examples.

Entities are obliged to apply the amended definition of a business in mergers and acquisitions that will occur on or after 1 January 2020.

IAS 1 (Amendment) “Classification of liabilities as Current or Non-current”

The amendment affects only the presentation of liabilities in the statement of financial position. The amendment clarifies that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Also, the amendment clarified that the expectations of Management for the events that is expected to occur after the balance sheet date should not be taken into account and made clear the cases that constitute settlement of a liability.

The amendment is applicable for annual periods beginning on or after 1 January 2022.

3. Critical accounting estimates and assumptions

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates and management to exercise its judgment in the process of applying the accounting policies that affect the amounts, which will be recognised in the financial statements as well as the notes to the financial statements. Estimates and judgements are based on historical experience in current conditions and expectations of future events that are believed to be reasonable under the circumstances and are continually evaluated by using all information available. Actual results may differ from those, which have been estimated.

4. Financial risk management

The company’s activities expose it to a variety of financial risks: credit risk, remaining risk, concentration risk, market risk, operating risk, liquidity risk, capital risk, profitability risk, securitization and reputation risk and regulatory compliance risk. The Company’s overall risk management programme focuses on the recognition and assessment of the financial risks and seeks to minimize potential adverse effects on the Company’s financial performance, financial position and cash flow.

4.1 Credit Risk and Counterparty Risk

4.1.1 Provision of Credits:

The Company does not hold licence for provision of credits. Consequently, there is no need for determination of goal of capital requirements.

4.1.2 Open positions exposed to credit risk:

The Company keeps deposits mainly in Greek credit institutions, which cover fixed and variable expenses. The deposits have been calculated in the capital adequacy table. It is deemed that there is no need for additional capital requirements.

4.1.3 Diversification of Credit Portfolios:

The Company does not hold licence for provision of credits. Consequently, there is no need for determination of goal of capital requirements.

4.2 Remaining Risk

4.2.1 As mentioned the Company does not provide credits so as to be reviewed the existence of further strict criteria of risk dispersion and techniques reducing the credit risk.

4.3 Concentration Risk

4.3.1 Concentration risk from contracts outstanding with any individual counterparty or groups of related counterparties:

Large Financing Open Positions:

Given that the Company does not provide credits, does not keep transactions portfolio and provides only portfolio management services, investment advice and reception and transmission of investment orders, no Large Financing Open Positions are generated.

Deposits:

The Company keeps deposits mainly in Greek credit institutions in order to cover fixed and variable expenses. The deposits have been calculated in the capital adequacy table. It is deemed that there is no need for additional capital requirements.

4.4 Market Risk

4.4.1 The Company has for own account effected investments in transferable securities listed on regulated market. The investment is very small, therefore there is no need for determination of goal of capital requirements.

4.4.2 Use of Internal Templates: The Company has not applied for and consequently has not received permission from the Capital Market Commission for use of internal templates for the calculation of the capital requirements.

4.5 Operating Risk

The Risk Management Department, as stated in the Internal Regulation (By-laws) has within its competence also the tracing of the cause of the operating risk and the submission of proposals for its management.
Principal forms of operating risk:

a. Fraud

b. Wrongful conduct of personnel

The Organisation Chart and the Internal Regulation (By-laws) are an integral part of the procedures for encountering the operating risk.

The B. of D. consists of officials with long experience in the domain where the Company operates and is involved daily in the Company’s operations.

The collaborators of the Company are supervised institutions, thereby assuring minimization of fraud probabilities.

Also, in the context of investigation and solving of complaints/accusations by existing or potential clients, has been established a procedure for encountering accusations. In the event of a laid down incorrect practice, corrective actions are taken.

c. <u>Inadequacy of IT systems</u>

With regard to the safe and effective operation of the IT systems:

The design of the Company’s internal network relies on security of the Company’s data as also on safe transactions for its clients.

At the same time, have been examined all the ways to protect the Company from external threats and ensure the integrity of data. The configuration of the Servers has been designed to provide uninterrupted operation and security of the data.

As regards the backup procedure and the assurance of data of the Company and its clients, has been designed and implemented a procedure for the transfer of data to a predetermined secure area outside the company’s facilities.

With regard to facing emergencies and ensure the continuation of its business operations, the Company has an alternative working area where will be recovered the critical operations and data through the backup procedure implemented.

In addition, has been established by decision of the Board of Directors a Security Policy of IT systems which is implemented for all the users of the Company’s computerised systems and applies for all IT systems, hardware, software, databases, telecommunication networks, as well as the data generated, processed and distributed to users.

4.6 Liquidity Risk

The Company prepares annual budget and monitors cash flow budgeting.

The Company’s assets have not been placed in any investment but exist in form of cash for covering fixed and variable expenses.

There is no need for additional capital requirements.

4.7 Capital Risk

4.7.1 The Risk Management Department according to the by-laws has the competence for the review of the trend of the capital adequacy ratio and the analysis of the sizes that affect it significantly.

4.7.2 The Risk Management Department informs the B. of D. for any cases where the capital adequacy ratio can be at levels lower than those set by the regulatory framework in effect each time.

The Company calculates its capital requirements in accordance with article 9 of l. 4209/2013.

Based on the audited by the Certified Auditor Accountant Financial Statements at 31.12.2019, the regulatory equity capital amounts to Euro 1.490,47 thousands, higher than the 25% of the amount of fixed expenses which is Euro 185,53 thousands.

4.7.3 The Risk Management Department informs the B. of D. about the equity capital. In the case where equity is decreased below the level laid down in the applicable legal and regulatory framework, the Company proceeds in appropriate corrective actions after having informed the Capital Market Commission.

4.7.4 The Company has not issued innovative securities and does not have hybrid capitals. Therefore, it is not required an analysis of the Equity structure.

4.8 Profitability Risk

The Company prepares a budget and at regular time periods is assessed the structure of its output. Suffer of any losses does not obstruct the Company’s operation, given the corrective measures that are implemented.

4.9 Securitization Risk

The risk for the Company is zero because it does not invest or transfer securitization transactions.

4.10 Reputation Risk and Regulatory Compliance Risk

The Company has laid down internal control procedures, which it applies consistently, thus does not exist risk of non-compliance with the obligations that arise from the regulatory framework or risk of adverse publication regarding the activities of the Company.

4.11 Remuneration Policy

The Company has entailed upon resolution of the Board of Directors, Remuneration Policy, in compliance with the decision of the EC 28/606/2011 and the ref. No. 48 EC circular.

The remuneration practices of the Company are in line with the business strategy, objectives, values and its long-term interests and discourage conflict of interests.

There are not provided any incentives for excessive risk-taking, nor is recompensed risk-taking in excess of the Company’s strategy, to the employed persons the activities of which have material effect on the risk profile of the Company.

It is deemed that do not arise additional capital requirements for covering probable risks from the Remuneration Policy applied.

5. Notes to the financial statements

5.1 Property, plant and equipment

The movement in property, plant and equipment during the period is as follows:

	Furniture, fittings and equipment	Leasehold improvements	Vehicles	Total
Movement 01.01.2018-31.12.2018				
Cost				
Opening net book amount	124.302,22	660,00	53.500,00	178.462,22
Additions	9.322,86	0,00	0,00	9.322,86
Impairment charge	0,00	0,00	0,00	0,00
Adjustment	0,00	0,00	0,00	0,00
Closing net book amount At 31 December 2018	133.625,08	660,00	53.500,00	187.785,08
Depreciation				
Opening net book amount	98.989,13	277,41	11.069,46	110.336,00
Depreciation charge	8.463,31	55,00	5.350,00	13.868,31
Impairment charge	0,00	0,00	0,00	0,00
Closing net book amount At 31 December 2018	107.452,44	332,41	16.419,46	124.204,31
Net book amount				
At 31 December 2017	25.313,09	382,59	42.430,54	68.126,22
At 31 December 2018	26.172,64	327,59	37.080,54	63.580,77

	Furniture, fittings and equipment	Leasehold improvements	Vehicles	Total
Movement 01.01.2019-31.12.2019				
Cost				
Opening net book amount	133.625,08	660,00	53.500,00	187.785,08
Additions	143.802,40	193.067,21	0,00	336.869,61
Impairment charge	0,00	0,00	0,00	0,00
Adjustment	0,00	0,00	0,00	0,00
Closing net book amount At 31 December 2019	277.427,48	193.727,21	53.500,00	524.654,69
Depreciation				
Opening net book amount	107.452,44	332,41	16.419,46	124.204,31
Depreciation charge	25.333,66	56.843,85	5.350,00	87.527,51
Impairment charge	0,00	0,00	0,00	0,00
Closing net book amount At 31 December 2019	132.786,10	57.176,26	21.769,46	211.731,82
Net book amount				
At 31 December 2018	26.172,64	327,59	37.080,54	63.580,77
At 31 December 2019	144.641,38	136.550,95	31.730,54	312.922,87

5.2 Intangible assets

	Software	Total
Movement 01.01.2018-31.12.2018		
Cost		
Opening net book amount	21.430,96	21.430,96
Additions	136,00	136,00
Impairment charge	0,00	0,00
Adjustment	0,00	0,00
Closing net book amount at 31 December 2018	21.566,96	21.566,96
Amortisation		
Opening net book amount	18.151,65	18.151,65
Amortisation charge	1.789,34	1.789,34
Impairment charge	0,00	0,00
Closing net book amount at 31 December 2018	19.940,99	19.940,99
Net book amount		
At 31 December 2017	3.279,31	3.279,31
At 31 December 2018	1.625,97	1.625,97

	Software	Total
Movement 01.01.2019-31.12.2019		
Cost		
Opening net book amount	21.566,96	21.566,96
Additions	0,00	0,00
Impairment charge	0,00	0,00
Adjustment	0,00	0,00
Closing net book amount at 31 December 2019	21.566,96	21.566,96
Amortisation		
Opening net book amount	19.940,99	19.940,99
Amortisation charge	771,75	771,75
Impairment charge	0,00	0,00
Closing net book amount at 31 December 2019	20.712,74	20.712,74
Net book amount		
At 31 December 2018	1.625,97	1.625,97
At 31 December 2019	854,22	854,22

5.3 Other non-current receivables

The other non-current receivables amounting Euro 60.550,00 are detailed below:

	31/12/2019	31/12/2018
Participation in the Joint Guarantee Fund	50.000,00	50.000,00
Guarantees for rents	10.200,00	15.600,00
Guarantees of other companies	350,00	0,00
Total	**60.550,00**	**65.600,00**

The above amount Euro 50.000,00 concerns the initial payment as guarantee in the Joint Guarantee Fund for Insured Investment Services according to the provisions of the L. 2533/1997 as in force today based on the article 11 of the L. 3756/2009.

5.4 Trade and Other Receivables (customers and stock exchange)

Analysed as follows:

	31/12/2019	31/12/2018
Trade receivables	1.135.498,49	195.761,72
Less:		
Provision	0,00	0,00
	1.135.498,49	**195.761,72**

The carrying amounts of trade and other receivables approximate their fair value.

Provision has not been made for receivables impairment because given the nature of the receivables management deems that there is no such need. The largest part of the above receivables has been collected when preparing the financial statements.

5.5 Other receivables

Analysed as follows:

	31/12/2019	31/12/2018
Other receivables	527,62	5.605,34
Prepaid expenses	10.170,89	7.575,24
Receivables from the Greek State	32.281,27	86.019,19
Total	**42.979,78**	**99.199,77**

The carrying amounts of receivables approximate their fair value.

5.6 Cash and cash equivalents

Analysed as follows:

	31/12/2019	31/12/2018
Cash on hand	179,25	152,48
Current deposits in Euro	495.663,71	535.190,08
Current deposits in F.C.	11.197,44	4.869,94
Cash and cash equivalents - Company	507.040,40	540.212,50
Cash and cash equivalents - Customers	0,00	0,00
Total	**507.040,40**	**540.212,50**

5.7 Share Capital

The share capital of the company (31.12.2019) amounts to Euro 900.000,00 divided in 300.000 registered shares with a par value of Euro 3,00 per share. All issued shares are fully paid.

Shares carry one vote each at the general meetings of the company's shareholders and they are entitled to dividends the Company resolves to distribute.

5.8 Deferred tax

Deferred tax liabilities, arising from temporary tax differences are as follows:

	Differences in PPE	Differences in other assets	Recognised Tax loss	Total
At 1.1.2018	**4.115,50**	**485,79**	**0,00**	**4.601,29**
Charged/(credited) directly to equity	0,00	0,00	0,00	0,00
Charged/(credited) to the income statement	(1.875,40)	(137,43)	0,00	(2.012,83)
At 31.12.2018	**2.240,10**	**348,35**	**0,00**	**2.588,45**

	Differences in PPE	Differences in other assets	Recognised Tax loss	Total
At 31.12.2019	**2.240,10**	**348,35**	**0,00**	**2.588,45**
Charged/(credited) directly to equity	0,00	0,00	0,00	0,00
Charged /(credited) to the income statement	(804,07)	(112,22)	0,00	(916,29)
At 31.12.2019	**1.436,03**	**236,13**	**0,00**	**1.672,16**

In the year 2019 the applicable tax rate is 24%.

5.9 Employee defined benefit obligations

According to the Greek labour law, the employees are entitled to termination benefits when employment is terminated, the value of which depends on their annual compensation, years of service in the Company and reason for employment termination (dismissal or retirement). Right to receive termination benefits vests after the completion of the first year of service in the employer. In case of resignation or justified dismissal this right does not apply. The payable amount at retirement amounts to 40% of the total amount that is paid in case of unjustified dismissal. Until the date of preparation of the financial statements none of the employees is eligible to retire or entitled to retirement benefit.

The provision for employee retirement benefits is presented in the accompanying financial statements and was calculated on the basis of an independent actuarial study according to IAS 19.

	31/12/2019	31/12/2018
Employee retirement benefits obligation	43.469,75	31.840,61

5.10 Current liabilities

Analysed as follows:

	31/12/2019	31/12/2018
Trade payables (suppliers)	42.255,80	24.628,83
Employee salaries payable	30.961,67	3.358,94
Taxes – duties	281.453,65	50.601,21
Short-term bank borrowings	2.017,00	8,41
Social security	32.494,46	28.667,72
Accrued expenses payable	937,33	830,57
Borrowings - Finance lease obligations	67.781,31	0,00
Total	**457.901,22**	**108.095,68**

The carrying amounts of trade and other payables approximate their fair value.

5.11 Effect from the adoption of IFRS 16 "Leases"

In summary is set out the impact from the adoption (in the year 2019) of IFRS 16 on the items of the Statement of Financial Position and the Statement of Comprehensive Income:

Impact on the Statement of Financial Position

(increase at 31 December 2019):

Non-Current assets

• PPE assets Euro 251.995,02

Payables

• Finance lease obligations (non-current liabilities) Euro 117.045,47

• Finance lease obligations (current liabilities) Euro 67.781,31

• Deferred tax liabilities (offset) Euro 901,85

Net impact on Equity

Impact on the Statement of Comprehensive Income

(increase at 31 December 2019):

- Depreciation (included by 90% in Cost of sales and by 10% in Administrative expenses) Euro 63.410,54.
- Operating lease expenses (included in Finance costs) Euro 3.631,77.
- Results from adjustment to IFRS 16 Euro 775,92.

5.12 Revenue

The revenue of the Company comprises income from sales of financial/investment services and is detailed below:

	01.01.2019-31.12.2019	**01.01.2018-31.12.2018**
Portfolio and other management fees	1.868.533,07	919.441,91
Brokerage commission on financial transactions	5.109,05	5.647,91
Investment advice related fees	75.038,48	59.233,42
Income from other services	6.141,93	6.135,99
Total	**1.954.822,53**	**990.459,23**

5.13 Expenses by nature

	01/01/2018 - 31/12/2018		
	Cost of Sales	Administrative expenses	Total
Wages and salaries including costs	561.149,99	0,00	561.149,99
Third party fees	3.296,70	79.980,88	83.277,58
Third party utilities	73.050,28	20.501,69	93.551,97
Taxes – duties	9.574,71	1.108,86	10.683,57
Sundry expenses	53.153,40	91.045,79	144.199,19
Depreciation – Amortisation	14.091,89	1.565,76	15.657,65
Provision for employee benefits	3.140,81	348,98	3.489,79
Total	**717.457,78**	**194.551,96**	**912.009,74**

	01/01/2019 - 31/12/2019		
	Cost of Sales	Administrative expenses	Total
Wages and salaries including costs	659.284,71	3.848,40	663.133,11
Third party fees	32.708,36	90.716,43	123.424,79
Third party utilities	43.547,49	21.316,33	64.863,82
Taxes – duties	8.107,99	4.034,05	12.142,04
Sundry expenses	93.911,07	58.309,99	152.221,06
Depreciation – Amortisation	79.469,34	8.829,92	88.299,26
Provision for employee benefits	11.629,14	0,00	11.629,14
Total	**928.658,10**	**187.055,12**	**1.115.713,22**

5.14 Results of financial transactions

The total result from finance income/cost is as follows:

	01.01.2019-31.12.2019	01.01.2018-31.12.2018
Other interest income	67,38	109,25
Income from securities	19.370,06	637,50
Other bank charges	(1.698,41)	(1.630,61)
Interest on finance leases	(3.631,77)	0,00
Credit exchange differences	420,32	282,39
Debit exchange differences	(868,55)	(619,21)
Total finance income - net	**13.659,03**	**(1.220,68)**

5.15 Income tax expense

Taxes recognised in the income statement for the year are as follows:

	01.01.2019-31.12.2019	01.01.2018-31.12.2018
Current income tax	(204.950,74)	(32.383,67)
Deferred tax expense/(income)	(916,30)	(2.012,84)
Total	**(205.867,04)**	**(34.396,51)**

Income tax was calculated at rate 24% on taxable profit for the period and the deferred tax as presented in note 5.8. It is pointed out that in the above amount is not included the proportional to the year profession tax (€ 1.000,00).

5.16 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held as treasury shares.

	01.01.2019-31.12.2019	01.01.2018-31.12.2018
Profit/loss attributable to equity holders of the company	634.797,38	28.106,80
Weighted average number of ordinary shares in issue	300.000	300.000
Earnings/(loss) net of tax per share - Basic (in €)	2,1160	0.0937

The proposed distribution of profits (taking into account the legislation in force, articles 159 - 161 of L. 4548/2018) to the General Meeting of shareholders is set out below:

Table of Distribution

Net results (profit) for the year	Euro	840.664,41
Plus: Loss carried forward	Euro	-47.629,88
Less: Income tax	Euro	-205.867,03
Balance for distribution	**Euro**	**587.167,50**

Distributed as under:

Statutory reserve	Euro	29.358,38
Dividend to shareholders	Euro	490.000,00
Dividend to members of the BoD	Euro	40.000,00
Profit carried forward	Euro	27.809,12
Total distributed	**Euro**	**587.167,50**

5.17 Depreciation – Amortisation of PPE and intangible assets

Depreciation charged to the income statement for the year is as follows:

	01.01.2019-31.12.2019	**01.01.2018-31.12.2018**
Depreciation of furniture, fittings and other equipment	25.333,66	8.463,31
Depreciation of vehicles	5.350,00	5.350,00
Depreciation of leasehold property assets	56.843,85	55,00
Amortisation of intangible assets	771,75	1.789,34
	88.299,26	**15.657,65**

5.18 Employee benefits

The benefits towards the employees of the Company are as follows:

	01.01.2019-31.12.2019	**01.01.2018-31.12.2018**
Wages / Salaries & bonuses	513.324,05	433.323,42
Fringe benefits	27.261,24	20.619,44
Social security costs	122.547,82	107.207,13
	663.133,11	**561.149,99**

Number of employed personnel at 31.12.2019: eighteen (18) persons.

5.19 Related – party transactions

Other transactions with directors and key management

	31.12.2019	**31.12.2018**
Receivables from members of the B. of D.	339,89	316,13
Receivables from other related parties	867.790,09	37.478,26
Payables to members of the B. of D.	23.257,89	8,41

	01.01.2019-31.12.2019	**01.01.2018-31.12.2018**
Income from members of the B. of D.	1.329,81	1.351,72
Income from other related parties	1.292.048,13	482.163,89

5.20 Contingencies and Commitments

- <u>Tax matters and time-barred tax years:</u>

The company from the year 2012 is subject to tax audit of the Certified Auditors Accountants that is required by the provisions of the article 82 par. 5 of L. 2238/1994 and afterwards of the article 65A of L. 4172/2013. The tax audit for the first four financial years ended 31.12.2012, 31.12.2013, 31.12.2014 and 31.12.2015 has been finalized and the relevant “Tax compliance report of independent certified auditor accountant” provided for, has been submitted to the competent authorities (GSIS).

In the present year 2019, as also in the previous years 2016, 2017 and 2018 the company considering the option given by the L. 4410/2016 (art. 56 par. 1) did not proceed with the tax audit of the Certified Auditors Accountants.

The company did not make provision to the charge of the results for any additional tax liabilities because we deem that these will not have material impact on the financial statements.

In accordance with the relevant tax provisions: a) in article 84, par 1 of L. 2238/1994 (unaudited income tax cases), b) in article 57 par. 1 of L. 2859/2000 (unaudited V.A.T. cases) and c) in article 9 par. 5 of L. 2523/1997 (imposition of fines for income tax cases), the State’s authority for the imposition of tax for the years up to 2013 has become time-barred until 31.12.2019, subject to specific or exceptional provisions that may provide for a longer limitation period and provided the conditions laid down therein.

Beyond these, according to consistent case-law of the Council of State and the administrative courts, in the absence of an existing provision in the Laws Code about Stamp Duties laying down any limitation period, the relevant claim of the State for the imposition of stamp duty according to the article 249 of the Civil Code is subject to limitation period of twenty years.

For the years ended after 31 December 2013 and remain tax un-audited by the competent tax authorities, our estimate is that the taxes that may arise will have no material impact on the financial statements.

- <u>Legal issues:</u>

Taking into consideration also the letter dated 23 January 2020 of the company’s legal advisor there are no pending legal cases and therefore no provision to the charge of the results has been made in this respect.

6. Events after the balance sheet date

There are no subsequent to the financial statements events, that concern the Company and for which it is required relevant reference in accordance with the International Financial Reporting Standards (I.F.R.S.).

Athens, 10 February 2020

THE CHAIRMAN OF THE B. OF D. & MANAGING DIRECTOR	THE VICE CHAIRMAN OF THE B. OF D.	FOR ARTION S.A.	
Achilleas Kontogouris	**Dimitrios Kortesis**	**Dionysios Samolis**	**Ilias Paraskevopoulos**
ID. No. AE 031015	**ID. No. AI 525881**	**ID. No. AI 542920**	**ID. No. AI 102629**
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