

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

**G.E.MI. No.: 117631101000**

**Financial Statements**

**at 30 June 2019**

**In accordance with the International Financial Reporting Standards  
(I.F.R.S.)**

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**“IOLCUS INVESTMENTS S.A. A.I.F.M.”**  
*Financial Statements at 30 June 2019*  
*(Amounts in Euro)*

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## Review Report on Interim Financial Information

To the Board of Directors of IOLCUS INVESTMENTS S.A.

### Introduction

We have reviewed the accompanying statement of financial position of IOLCUS INVESTMENTS S.A. as at 30 June 2019 and the relative statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the interim financial information.

Management is responsible for the preparation and presentation of this interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that have been incorporated into the Greek Legislation and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

### Emphasis of Matter

We draw attention to note 2.16 to the interim financial information, which describes the matter that the comparative records of the previous year 2018 are subject to approval of the Ordinary General Meeting of the Shareholders. Our conclusion is not qualified in respect of this matter.

Athens, 28 July 2019

### **Eleni V. Karagouni**

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## Statement of Comprehensive Income

(Amounts in Euro)	Note	01/01/2019- 30/06/2019	01/01/2018- 30/06/2018
<b>Revenue (sales of services)</b>	5.11	<b>504.162,69</b>	<b>479.470,37</b>
Cost of sales	5.12	(423.432,15)	(339.968,58)
<b>Gross profit</b>		<b>80.730,54</b>	<b>139.504,79</b>
Other operating income		25.984,67	4.978,29
Administrative expenses	5.12	(84.514,12)	(72.404,89)
Other operating expenses		(1.890,72)	(7.505,26)
<b>Earnings/(loss) before taxes, financing and investing results (EBIT)</b>		<b>20.310,37</b>	<b>64.569,93</b>
Finance Income	5.13	104,29	230,04
Finance costs	5.13	(1.285,57)	(1.471,00)
<b>Profit/(loss) before income tax</b>		<b>19.129,09</b>	<b>63.328,97</b>
Income tax expense	5.14	(9.404,69)	(24.805,36)
<b>Profit/(loss) for the year</b>		<b>9.724,40</b>	<b>38.523,61</b>
Earnings/(loss) net of tax per share Basic (in €)	5.15	0,0324	0,1284

## Statement of Financial Position

(Amounts in Euro)

	Note	30/06/2019	31/12/2018
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5.1	134.621,73	63.580,77
Intangible assets	5.2	1.243,27	1.625,97
Deferred tax assets	5.8	5.291,53	5.306,88
Other non-current receivables	5.3	60.550,00	65.600,00
		<b>201.706,53</b>	<b>136.113,62</b>
<b>Current assets</b>			
Trade and other receivables	5.4	218.511,46	195.761,72
Other receivables	5.5	88.978,04	99.199,77
Other assets		55.764,00	28.000,00
Cash and cash equivalents	5.6	435.501,91	540.212,50
		<b>798.755,41</b>	<b>863.173,99</b>
<b>Total Assets</b>		<b>1.000.461,94</b>	<b>999.287,61</b>
<b>Equity</b>			
Share capital			
Statutory reserve	5.7	900.000,00	900.000,00
Retained earnings		4.262,77	4.262,77
<b>Total Equity</b>		<b>(37.905,48)</b>	<b>(47.629,88)</b>
		<b>866.357,29</b>	<b>856.632,89</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities	5.8	3.173,99	2.718,43
Employee retirement benefits	5.9	31.840,61	31.840,61
		<b>35.014,60</b>	<b>34.559,04</b>
<b>Current liabilities</b>			
Trade and other payables	5.10	7.638,53	24.628,83
Current tax liabilities	5.10	52.361,92	50.601,21
Other liabilities	5.10	39.089,60	32.865,64
		<b>99.090,05</b>	<b>108.095,68</b>
<b>Total Liabilities</b>		<b>134.104,65</b>	<b>142.654,72</b>
<b>Total Equity and Liabilities</b>		<b>1.000.461,94</b>	<b>999.287,61</b>

## Statement of Changes in Equity

(Amounts in Euro)

Note	Share Capital	Other Reserves	Retained Earnings	Total
<b>Balance at 01/01/2018</b>	<b>889.000,00</b>	<b>4.262,77</b>	<b>(75.736,68)</b>	<b>827.526,09</b>
<u>Changes 01/01/2018-31/12/2018</u>				
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
<b>Profit/(loss) for the year</b>	<b>1.000,00</b>	<b>0,00</b>	<b>28.106,80</b>	<b>29.106,80</b>
<b>Balance equity at 31/12/2018</b>	<b>900.000,00</b>	<b>4.262,77</b>	<b>(47.629,88)</b>	<b>856.632,89</b>
<b>Balance at 01/01/2019</b>	<b>900.000,00</b>	<b>4.262,77</b>	<b>(47.629,88)</b>	<b>856.632,89</b>
<u>Changes 01/01/2019-30/06/2019</u>				
Increase of share capital	0,00	0,00	0,00	0,00
Net results (profit) for the period	0,00	0,00	9.724,40	9.724,40
<b>Profit/(loss) for the period</b>	<b>0,00</b>	<b>0,00</b>	<b>9.724,40</b>	<b>9.724,40</b>
<b>Balance equity at 30/06/2019</b>	<b>900.000,00</b>	<b>4.262,77</b>	<b>(37.905,48)</b>	<b>866.357,29</b>

## Statement of Cash Flows

(Amounts in Euro)

	Note	01/01/2019- 30/06/2019	01/01/2018- 30/06/2018
<b><u>Cash flows from operating activities</u></b>			
Profit/(loss) before taxes		19.129,09	63.328,97
Plus/less adjustments for:			
Depreciation		10.546,77	7.719,41
Provisions		0,00	5.600,92
Results (income, expenses, profit and losses) from investing activities		-26.073,09	-230,04
Interest expense and similar charges		1.285,57	1.471,00
<b>Operating results before adjustments of working capital</b>		<b>4.888,34</b>	<b>77.890,25</b>
<b>Plus/Less adjustments of working capital to net cash or related to operating activities:</b>			
Decrease/(increase) of receivables		-7.462,66	726.669,76
Decrease/(increase) of payable accounts (except Banks)		-8.550,07	-260.026,30
Less:			
Interest expense and similar charges paid		-1.285,57	-1.471,00
Income tax paid		-9.404,69	-24.805,36
<b>Net cash generated from operating activities (a)</b>		<b>-21.814,65</b>	<b>518.257,35</b>
<b><u>Cash flows from investing activities</u></b>			
Purchases of property, plant and equipment (PPE) and of intangible assets		-81.205,03	-6.144,98
Purchases of financial assets		-14.422,98	-21.550,00
Proceeds from sales of financial assets		12.627,78	0,00
Interest and other finance income received		104,29	230,04
<b>Net cash used in investing activities (b)</b>		<b>-82.895,94</b>	<b>-27.464,94</b>
<b><u>Cash flows from financing activities</u></b>			
Increase of share capital		0,00	1.000,00
<b>Net cash used in financing activities (c)</b>		<b>0,00</b>	<b>1.000,00</b>
<b>Net increase/(decrease) in cash and cash equivalents for period (a) + (b) + (c)</b>			
		<b>-104.710,59</b>	<b>491.792,42</b>
Cash and cash equivalents at beginning of the period		540.212,50	75.919,77
<b>Cash and cash equivalents at end of the period</b>		<b>435.501,91</b>	<b>567.712,19</b>



## **Notes to the financial statements**

### **1. General Information about the Company**

#### **1.1. 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
    - 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](http://www.iolcus.gr)

The financial statements have been approved for issue by the Board of Directors of the company on 19 July 2019.

The obligation for the preparation of six-month financial statements and their submission to the Capital Market Commission, which shall be audited by a certified auditor account, derives from the Circular 58/15.2.2019 of the Capital Market Commission. This obligation is effective from 30/6/2019.

## **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 30 June 2019 cover the period from 1 January 2019 to 30 June 2019 and have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and which apply to interim financial reporting ("IAS 34"). 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 30 June 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:

- (1) 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.

- (2) 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:

<u>Assets</u>	<u>Useful life</u>
- 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. It is pointed out that the comparative items of the aforementioned financial year ended 31.12.2018 and respectively the beginning (1.1.2019) of the six-month financial statements are subject to the approval of the General Meeting of the shareholders, as likewise the comparative items of the disclosed period 30.6.2018. The annual Ordinary General Meeting of the shareholders that will approve the financial statements for the year 2018, is expected to take place within the time limits set by the legislation in force.

### **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 not for own account effected investments in transferable securities. Consequently, 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. Inadequacy of IT systems

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.

The regulatory equity capital at 30.06.2019 amounts to Euro 865,11 thousands, higher than the 25% of the amount of fixed expenses which is Euro 183,24 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:

	<u>Furniture, fittings and equipment</u>	<u>Leasehold improvements</u>	<u>Vehicles</u>	<u>Total</u>
<b><u>Movement 01/01/2018-31/12/2018</u></b>				
<b><u>Cost</u></b>				
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	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 31 December 2018</b>	<b><u>133.625,08</u></b>	<b><u>660,00</u></b>	<b><u>53.500,00</u></b>	<b><u>187.785,08</u></b>
<b><u>Depreciation</u></b>				
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	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 31 December 2018</b>	<b><u>107.452,44</u></b>	<b><u>332,41</u></b>	<b><u>16.419,46</u></b>	<b><u>124.204,31</u></b>
<b>Net book amount at 31 December 2017</b>	<b><u>25.313,09</u></b>	<b><u>382,59</u></b>	<b><u>42.430,54</u></b>	<b><u>68.126,22</u></b>
<b>at 31 December 2018</b>	<b><u>26.172,64</u></b>	<b><u>327,59</u></b>	<b><u>37.080,54</u></b>	<b><u>63.580,77</u></b>
<b><u>Movement 01/01/2019-30/06/2019</u></b>				
<b><u>Cost</u></b>				
Opening net book amount	133.625,08	660,00	53.500,00	187.785,08
Additions	51.899,41	29.305,61	0,00	81.205,03
Impairment charge	0,00	0,00	0,00	0,00
Adjustment	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 30 June 2019</b>	<b><u>185.524,49</u></b>	<b><u>29.965,61</u></b>	<b><u>53.500,00</u></b>	<b><u>268.990,11</u></b>
<b><u>Depreciation</u></b>				
Opening net book amount	107.452,44	332,41	16.419,46	124.204,31
Depreciation charge	6.785,80	725,26	2.653,01	10.164,07
Impairment charge	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 30 June 2019</b>	<b><u>114.238,24</u></b>	<b><u>1.057,67</u></b>	<b><u>19.072,47</u></b>	<b><u>134.368,38</u></b>
<b>Net book amount at 31 December 2018</b>	<b><u>26.172,64</u></b>	<b><u>327,59</u></b>	<b><u>37.080,54</u></b>	<b><u>63.580,77</u></b>
<b>at 30 June 2019</b>	<b><u>71.286,25</u></b>	<b><u>28.907,94</u></b>	<b><u>34.427,54</u></b>	<b><u>134.621,73</u></b>

**5.2. Intangible assets**

	<u>Software</u>	<u>Total</u>
<b><u>Movement 01/01/2018-31/12/2018</u></b>		
<b><u>Cost</u></b>		
Opening net book amount	21.430,96	21.430,96
Additions	136,00	136,00
Impairment charge	0,00	0,00
Adjustment	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 31 December 2018</b>	<b><u>21.566,96</u></b>	<b><u>21.566,96</u></b>
 <b><u>Amortisation</u></b>		
Opening net book amount	18.151,65	18.151,65
Amortisation charge	1.789,34	1.789,34
Impairment charge	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 31 December 2018</b>	<b><u>19.940,99</u></b>	<b><u>19.940,99</u></b>
 <b><u>Net book amount</u></b>		
<b>At 31 December 2017</b>	<b><u>3.279,31</u></b>	<b><u>3.279,31</u></b>
<b>At 31 December 2018</b>	<b><u>1.625,97</u></b>	<b><u>1.625,97</u></b>
 <b><u>Movement 01/01/2019-30/06/2019</u></b>		
<b><u>Cost</u></b>		
Opening net book amount	21.566,96	21.566,96
Additions	0,00	0,00
Impairment charge	0,00	0,00
Adjustment	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 30 June 2019</b>	<b><u>21.566,96</u></b>	<b><u>21.566,96</u></b>
 <b><u>Amortisation</u></b>		
Opening net book amount	19.940,99	19.940,99
Amortisation charge	382,70	382,70
Impairment charge	<u>0,00</u>	<u>0,00</u>
<b>Closing net book amount at 30 June 2019</b>	<b><u>20.323,69</u></b>	<b><u>20.323,69</u></b>
 <b><u>Net book amount</u></b>		
<b>at 31 December 2018</b>	<b><u>1.625,97</u></b>	<b><u>1.625,97</u></b>
<b>at 30 June 2019</b>	<b><u>1.243,27</u></b>	<b><u>1.243,27</u></b>

### 5.3. Other non-current receivables

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

	<u>30/06/2019</u>	<u>31/12/2018</u>
Participation in the Joint Guarantee Fund	50.000,00	50.000,00
Guarantees for rents	10.550,00	15.600,00
<b>Total</b>	<b>60.550,00</b>	<b>65.600,00</b>

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:

	<u>30/06/2019</u>	<u>31/12/2018</u>
Trade receivables	218.511,46	195.761,72
<u>Less:</u>		
Provision	0,00	0,00
	<b>218.511,46</b>	<b>195.761,72</b>

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:

	<u>30/06/2019</u>	<u>31/12/2018</u>
Other receivables	8.260,04	5.605,34
Prepaid expenses	26.515,94	7.575,24
Receivables from the Greek State	54.202,06	86.019,19
<b>Total</b>	<b>88.978,04</b>	<b>99.199,77</b>

The carrying amounts of receivables approximate their fair value.

## 5.6. Cash and cash equivalents

Analysed as follows:

	<u>30/06/2019</u>	<u>31/12/2018</u>
Cash on hand	277,68	152,48
Current deposits in Euro	426.405,68	535.190,08
Current deposits in F.C.	8.818,55	4.869,94
Cash and cash equivalents - Company	435.501,91	540.212,50
Cash and cash equivalents - Customers	0,00	0,00
<b>Total</b>	<b>435.501,91</b>	<b>540.212,50</b>

## 5.7. Share Capital

The share capital of the company (30/06/2019) 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:

	<b>Differences in PPE</b>	<b>Differences in other assets</b>	<b>Recognised Tax loss</b>	<b>Total</b>
<b>At 01/01/2018</b>	<b>4.115,50</b>	<b>485,79</b>	<b>0,00</b>	<b>4.601,29</b>
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)
<b>At 31/12/2018</b>	<b>2.240,10</b>	<b>348,35</b>	<b>0,00</b>	<b>2.588,45</b>
<b>At 01/01/2019</b>	<b>2.240,10</b>	<b>348,35</b>	<b>0,00</b>	<b>2.588,45</b>
Charged/(credited) directly to equity	0,00	0,00	0,00	0,00
Charged/(credited) to the income statement	(348,40)	(122,51)	0,00	(470,91)
<b>At 30/06/2019</b>	<b>1.891,70</b>	<b>225,84</b>	<b>0,00</b>	<b>2.117,54</b>

### 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.

	<u>30/06/2019</u>	<u>31/12/2018</u>
Employee retirement benefits obligation	31.840,61	31.840,61

### 5.10. Current liabilities

Analysed as follows:

	<u>30/06/2019</u>	<u>31/12/2018</u>
Trade payables (suppliers)	7.638,53	24.628,83
Employee salaries payable	3.831,55	3.358,94
Taxes – duties	52.361,92	50.601,21
Short-term bank borrowings	0,00	8,41
Social security	15.535,44	28.667,72
Accrued expenses payable	19.147,87	830,57
Other payables	574,74	0,00
<b>Total</b>	<b><u>99.090,05</u></b>	<b><u>108.095,68</u></b>

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

### 5.11. Revenue

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

	<u>01/01/2019-</u> <u>30/06/2019</u>	<u>01/01/2018-</u> <u>30/06/2018</u>
Portfolio and other management fees	249.810,24	204.767,23
Portfolio and other management fees (S.A. A.I.F.M.)	222.203,69	234.177,81
Brokerage commission on financial transactions	2.556,14	2.848,02
Investment advice related fees	28.045,64	34.979,66
Income from other services	1.546,98	2.697,65
<b>Total</b>	<b>504.162,69</b>	<b>479.470,37</b>

### 5.12. Expenses by nature

	<b>01/01/2018-30/06/2018</b>		
	<b>Cost of</b>	<b>Administrative</b>	<b>Total</b>
	<b>Sales</b>	<b>expenses</b>	
Wages and salaries including costs	275.982,63	0,00	275.982,63
Third party fees	1.406,70	23.239,28	24.645,98
Third party utilities	35.988,98	8.874,48	44.863,46
Taxes – duties	3.797,48	421,94	4.219,42
Sundry expenses	15.845,32	33.496,33	49.341,65
Depreciation – Amortisation	6.947,47	771,94	7.719,41
Provision for employee benefits	0,00	5.600,92	5.600,92
<b>Total</b>	<b>339.968,58</b>	<b>72.404,89</b>	<b>412.373,47</b>

	<b>01/01/2019-30/06/2019</b>		
	<b>Cost of</b>	<b>Administrative</b>	<b>Total</b>
	<b>Sales</b>	<b>expenses</b>	
Wages and salaries including costs	308.386,22	21.848,39	330.234,61
Third party fees	7.959,60	24.531,96	32.491,56
Third party utilities	57.845,67	12.463,20	70.308,87
Taxes – duties	2.558,33	3.494,20	6.052,53
Sundry expenses	37.190,24	21.121,69	58.311,93
Depreciation – Amortisation	9.492,09	1.054,68	10.546,77
<b>Total</b>	<b>423.432,15</b>	<b>84.514,12</b>	<b>507.946,27</b>



### 5.13 Finance income/(costs)

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

	<u>01/01/2019-</u> <u>30/06/2019</u>	<u>01/01/2018-</u> <u>30/06/2018</u>
Other interest income	13,87	48,98
Other bank charges	(1.095,59)	(1.016,97)
Credit exchange differences	90,42	181,06
Debit exchange differences	(189,98)	(454,03)
<b>Total finance income - net</b>	<b>(1.181,28)</b>	<b>(1.240,96)</b>

### 5.14. Income tax expense

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

	<u>01/01/2019-</u> <u>30/06/2019</u>	<u>01/01/2018-</u> <u>30/06/2018</u>
Current income tax	(8.933,78)	(23.747,53)
Deferred tax expense/(income)	(470,91)	(1.057,83)
<b>Total</b>	<b>(9.404,69)</b>	<b>(24.805,36)</b>

Income tax was calculated at rate 28% for the period 1/1-30/6/2019 and 29% for 1/1-30/6/2018 on taxable profit for the period and the deferred tax as set out 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).

### 5.15. 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.

	<u>01/01/2019-</u> <u>30/06/2019</u>	<u>01/01/2018-</u> <u>30/06/2018</u>
Profit/loss attributable to equity holders of the company	9.724,40	38.523,61
Weighted average number of ordinary shares in issue	300.000	300.000
Earnings/(loss) net of tax per share - Basic (in €)	0,0324	0,1284

#### 5.16. Depreciation – Amortisation of PPE and intangible assets

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

	<u>01/01/2019-</u> <u>30/06/2019</u>	<u>01/01/2018-</u> <u>30/06/2018</u>
Depreciation of furniture, fittings and other equipment	6.785,80	4.062,92
Depreciation of vehicles	2.653,01	2.653,01
Depreciation of leasehold property assets	725,26	27,27
Amortisation of intangible assets	382,70	976,21
	<b>10.546,77</b>	<b>7.719,41</b>

#### 5.17. Employee benefits

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

	<u>01/01/2019-</u> <u>30/06/2019</u>	<u>01/01/2018-</u> <u>30/06/2018</u>
Wages / Salaries & bonuses	246.025,96	208.900,53
Fringe benefits	22.961,30	15.510,19
Social security costs	59.839,86	51.571,91
Dismissal pay	1.407,49	0,00
	<b>330.234,61</b>	<b>275.982,63</b>

Number of employed personnel at 30/06/2019: twenty (20) persons.

#### 5.18. Related-party transactions

Other transactions with directors and key management

	<u>30/06/2019</u>	<u>31/12/2018</u>
Receivables from members of the B. of D.	335,46	316,13
Receivables from other related parties	36.351,69	37.478,26
Payables to members of the B. of D.	150,00	8,41

  

	<u>01/01/2019-</u> <u>30/06/2019</u>	<u>01/01/2018-</u> <u>30/06/2018</u>
Income from members of the B. of D.	645,22	705,66
Income from other related parties	222.203,69	234.177,81

#### **5.19. Contingencies and commitments**

- Tax matters and time-barred tax years:

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 2012 has become time-barred until 31.12.2018, 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 2012 and remain tax un-audited by the competent tax authorities, and/or the Certified Auditor Accountant of the Company, our estimate is that the taxes that may arise will have no material impact on the financial statements.

- Legal issues:

Taking into consideration also the letter dated 15 July 2019 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, 19 July 2019**

**THE CHAIRMAN  
OF THE B. OF D.  
& MANAGING DIRECTOR**

**THE VICE CHAIRMAN  
OF THE B. OF D.**

**FOR ARTION S.A.**

**Achilleas Kontogouris  
ID. No. AE 031015**

**Dimitrios Kortesis  
ID. No. AI 525881**

**Dionysios Samolis  
ID. No. AI 542920  
E.C.G. Licence No.  
58761/A' Class**

**Ilias Paraskevopoulos  
ID. No. AI 102629  
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0107957/A' Class**