VIVA PAYMENT SERVICES S.A.

HEADQUARTERS: L.AMAROUSIOU HALANDRIOU 18-20, MAROUSI ATTIKIS, ZIP CODE 151 25
Taxation Code: 997671771
Tax office: Commercial Companies' Athens office
Reg. No.: 70355/01AT/B/10/311
G.E.MI. Reg. No: 122191501000

ANNUAL FINANCIAL REPORT
FOR THE YEAR 2016

according to
International Financial Reporting Standards (I.F.R.S.)

MAROUSI
June 2017

Table of contents

INDEPENDENT AUDITOR'S REPORT

To the shareholders of «VIVA PAYMENT SERVICES S.A.»

<u>Report on the Financial Statements</u>

We have audited the accompanying financial statements of VIVA PAYMENT SERVICES SA, which are comprised by the statement of financial position as at December 31, 2016, the company's statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Auditing Standards incorporated in the Greek Legislation (Government Gazette / B / 2848 / 23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of «VIVA PAYMENT SERVICES SA» as at December 31, 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

<u>Report on Other Legal and Regulatory Requirements</u>

Considering that the management is responsible for the preparation of the Board of Directors' Report, pursuant to the provisions of paragraph 5 of Article 2 (Part B) of Law 4336/2015, we note that:

A) In our opinion, the Management Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of article 43a of Cod. Law 2190/1920 and its content corresponds to the attached financial statements for the year ended 31/12/2016.

B) Based on our knowledge of the VIVA PAYMENT SERVICES SA and its environment, we have not identified material misstatement in the Board of Directors' Management Report.

Athens, 02/06/2017
The Certified Public Accountants

MAZARS

Mazars Certified Public Accountants
Business Advisors S.A.
Amfitheas Av 14, 175 64 Athens
ELTE Reg: 17

Zafeiropoulos Ilias
ELTE Reg.No: 1281

ANNUAL REPORT OF THE BOARD OF DIRECTORS
Presented to the Annual General Meeting of Shareholders
« VIVA PAYMENT SERVICES SA»
on the Financial Statements for the year
January 1 to December 31, 2016

Annual Financial Report of the Board of Directors

For the year 1st January to December 31th, 2016

Dear shareholders,

The present Annual report of Board of Directors is about the financial year of 2016. This report was written in accordance with the relevant provisions of Codified Law 2190/1920 and the Law 3556/2007 (F.E.K. 91A/30.4.2007).

This report contains financial information of «VIVA PAYMENT SERVICES SA » («The company») for the year 2016 and describes important facts that took place in this year and its effects on the annual financial statements. It also, describe the major risks and uncertainties that the company may face during the next year.

I. PERFORMANCE AND FINANCIAL POSITION

The year 2016 was the year of consolidation of the company in the Greek electronic payment market, especially in the field of card-present payments, namely:

• The company continued the penetration of the card-present transactions market with increasing growth rates to customers who have acquired terminal devices (EFTPOS). The company, engaged in a systematic effort, at multiple levels of communication, and succeeded in placing the product among the major choices of potential clients, capturing a remarkable market share from other traditional players, such as banks etc.

• At the same time, the company continued to offer integrated electronic payment services, linked to a business payment account with instant, electronic activation. The combination of an instantly activated online payment account supporting all other payment services (card-present and card-no present card acquiring), combined with Viva Wallet Card payment cards and the use of Viva Wallet with e-money from businesses and consumers, has boosted the company's growth.

These developments have enabled the Company to achieve dramatically improved results in 2016 as follows:

• During the year 2016, the company processed transactions amounting to € 501 m against € 210 m in the year 2015, achieving an increase of 139%

• The company's revenues amounted to € 9,824 thousand in 2016 compared to € 5,287 thousand in the previous year, recording an increase of 86%.

Earnings before interest and tax (EBIT), reached € 980 thousand, while in the previous year the corresponding value amounted to € 594 thousand in 2015.

Respectively, earnings before interest, tax, depreciation and amortization (EBITDA), amounted to € 1,044 thousand in 2016 against € 637 thousand in 2015.

The network of Representatives has expanded further, reaching 1300 points by the end of 2016, with the inclusion of new large retail networks, without counting the 900 points making up only e-money distribution.

The financial position of the company on 31/12/2016 remains extremely satisfactory and reflects its financial stability and future prospects by having robust capital adequacy, a significant software and human resources infrastructure in order to serve an even larger volume of transactions in the near future.

For an enhanced presentation of company’s operation during the year ending at 31/12/2016, we present you the following representative financial ratios:

FINANCIAL RATIOS TABLE

		2016	2015
A) Financial leverage ratio			
Debt to Equity ratio:			
	Long term liabilities / Equity	3,95%	0,99%
B) Stability ratio			
Current asset to total asset ratio:			
	Current assets / Total assets	95,57%	99,13%
C) Liquidity ratios			
Capital Liquidity ratio:			
	Current assets / Short term liabilities	108,02%	111,14%
D) Profitability ratios			
1.Net operating margin ratio			
	Earnings before interest and tax / Turnover	10,63%	12.05%
2. Operating ratio			
	Net profit /(Loss) before tax / Turnover	11,82%	12,19%
3. Return on Equity ratio:			
	Net profit/(loss) before tax / Equity	35,27%	25,41%

II. MAJOR EVENTS DURING THE YEAR 2016

In 2016, the company made a substantial step towards integrating vertically its payments services offering, with the purpose of reducing costs, of improving time-to-market for new innovative services and of preparing its expansion to other European countries markets, through the roll-out of its innovative payments products and payments.

During year 2016, the following major events took place:

Vertical Integration of Services – Development of State-of-the-Art infrastructure to connect with card schemes
During the year 2016, another important step was taken towards the full vertical integration of the company's payment services. To this purpose, a strategic decision was followed for the direct interconnection with the dominant card schemes Visa and MasterCard, both for Card Acquiring and for Card Issuing. The company has completed all preparatory actions for becoming a Principal Member for MasterCard and Visa, and was successfully accepted.

To achieve this strategic goal, the Group has acquired a middleware that links its existing payments platform with MasterCard and Visa, so that it can provide services for the whole European market in direct interconnection to card schemes.

At the same time, the company has successfully completed all procedures for acquiring certification PCI-DSS Level 1 Certification, and completed the corresponding Risk Audit procedures for MasterCard and Visa, which led to the Principal Membership being acquired for both, at the first quarter of 2017.

Furthermore, the company has upgraded its infrastructure by transferring all its core platform to the Cloud. As a combined result, the company is currently the only licensed e-money institution and Principal Member of card schemes, that have its payment services platform and operations fully on the Cloud. In addition to restructuring of its operations, the company has established infrastructure and services which are fully scalable to provide payments across Europe.

In view of these developments, fiscal year 2016 has been pivotal for the implementation of the company's investment plan and for its European strategic orientation.

New services

In 2016, the company designed and rolled-out new innovative payment services that permit card acceptance without the use of a terminal (freePOS.gr service), while it continued investing at the development of "smart e-money" with numerous of commercial applications.

Additionally, the company has launched new commercial pricing policies for card present transactions to address the demand of wider market segments.

These changes are expected to have as an impact the reduction of nominal card acquiring fees, which however will be offset by a widening market share and by an even greater reduction of the cost basis of payment services.

Network of Representatives

The network of Representatives has expanded further, reaching 1300 points by the end of 2016, with the inclusion of new large retail networks. In addition, 900 points are not counted because in 2016 they only distributed e-money. The increase in the points of network Representatives, as well as the strengthening of the portfolio of organizations for which payments are allowed at the points (energy, communications, taxes, fees, etc.), strengthened the company's results.

Restructuring Viva Group for the development of overseas operations

The company has recruited senior and middle-level executives with significant expertise and past experience in the payment services market, so as to strengthen all areas of its operations. To this objective, the company has been staffed with experienced executives in the positions of the Sales Director, the Strategic Projects Director, the Customer Support Director and an Internal Auditor, as well as experienced Executives at the Risk Management Unit.

Overall, 2016 has been the first year of wide-scale restructuring and strategic reorientation, with a view to expanding to the European markets.

III. MAJOR EVENTS AFTER 31 OF DECEMBER 2016 AND UNTIL THE PREPARATION DATE OF THIS REPORT

There were no major events after the 31t^{h} of December 2016 which affect the Financial Statements.

IV. MAJOR RISKS AND UNCERTAINITIES FOR THE NEXT YEAR

The company's activity results to its exposure at a range of financial risks, that the management aims at minimizing, through the strategy and processes set in place. Additionally, competitors actions and a price-war tactics of competition may have a negative impact on the company's results, especially if the company fails to offset the reduced fees with reduced costs, as a result of productivity enhancement. Also, the uncertainty of the overall economic environment, and government decisions on corporate taxation and labor relations may affect the company's financial results.

Customers – Credits to costumers

The credit risk, concerns the possibility for a counterparty to cause a financial loss to the company due to breach of its conventional obligations.

The company has a sufficient dispersion of clients and faces no risk of dependency from a part of them. The company's shift to prepaid services enhances the company's position against any credit risk.

Liquidity risk

The liquidity risk concerns the fact that the company may not be able to meet its financial obligations.

The company has high creditworthiness with cooperating banks and also has sufficient liquidity from its daily transactions. Consequently the company does not face any difficulty to meet its obligations.

Additionally the capital adequacy of the company is controlled by the Bank of Greece according to the current framework.

Borrowing – Interests rates

The company has no loans.

Personnel

The company's management is based on a team of experienced and competent executives, who have full knowledge of the company and the market conditions, contributing to the smooth operation and further development.

Company's infrastructure allows the immediate replacement of executives without any significant impact on the course of its business. Relations between the executives and staff are excellent and no labor issues are present.

Marousi Attikis , 02/06/2017
THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

Haralampos Karonis

The above annual financial report from Board of Directors to the General Assembly which consists of 5 pages is the one mentioned in the audit report issued on 16/05/2017.

Mazars Certified Public Accountants
Business Advisors S.A.
Amfitheas Av. 14, 175 64 Palaio Faliro
ELTE Reg.: 17

Athens, 02/06/2017
The Certified Public Accountant

Zafeiropoulos Ilias
ELTE Reg. No: 1281

ANNUAL FINANCIAL STATEMENTS
OF YEAR 2016

according to
International Financial Reporting Standards

Statement of Financial Position
for the year ended on 31th of December 2016

Amounts expressed in euros	Note.	31/12/2016	31/12/2015
Assets			
Non-current assets			
Intangible assets	4.2	1.110.922,57	191.492,57
Tangible assets	4.1	20.104,10	6.895,73
Deferred tax assets	4.3	62.080,71	6.730,03
Other long-term receivables	4.4	122.803,00	555,00
Total non-current assets		**1.315.910,38**	**205.673,33**
Current assets			
Customers and other trade receivables	4.5	3.362,23	1.701,29
Advances to suppliers	4.6	363.823,29	3.095,23
Receivables from taxes	4.7	211.486,82	18.474,54
Other current assets	4.8	2.374.016,16	441.036,49
Cash	4.9	25.428.192,41	23.019.469,02
Total current assets		**28.380.880,91**	**23.483.776,57**
Total Assets		**29.696.791,29**	**23.689.449,90**
Equity and Liabilities			
Equity			
Share capital	4.10	2.000.000,00	2.000.000,00
Reserves	4.11	31.115,87	7.594,77
Reserves from actuarial differences		(45.473,61)	(970,81)
Retained earnings	4.12	1.320.639,20	528.772,77
Total Equity		**3.306.281,46**	**2.535.396,73**
Amounts attributable to shareholders		3.306.281,46	2.535.396,73
Total Equity		**3.306.281,46**	**2.535.396,73**
Long term Liabilities and provisions			
Provision for staff compensation	4.13	128.265,00	23.107,00
Other provisions	4.14	1.890,80	1.890,80
Total long- term Liabilities		**130.155,80**	**24.997,80**
Short term liabilities			
Suppliers and other trade liabilities	4.15	154.910,05	1.073.574,06
Tax liabilities	4.16	566.976,65	277.307,49
Other short-term liabilities	4.17	25.538.467,33	19.778.173,82
Total short-term liabilities		**26.260.354,03**	**21.129.055,37**
Total Liabilities		**26.390.509,82**	**21.154.053,17**
Total Equity and Liabilities		**29.696.791,29**	**23.689.449,90**

Statement of Comprehensive Income
for the year ended on 31th of December 2016

Amounts in €	**Note.**	**1/1-31/12/2016**	**1/1-31/12/2015**
Revenues	4.18	9.823.648,60	5.286.751,21
Other operating income	4.19	13.646,57	0,98
Total		**9.837.295,17**	**5.286.752,19**
Payroll and related expenses	4.20	(3.273.782,40)	(1.066.305,61)
Third party fees	4.20	(5.066.151,90)	(3.513.038,62)
Benefits from third parties	4.20	(218.665,84)	(37.381,75)
Other taxes	4.20	(10.344,08)	(1.485,86)
Other expenses	4.20	(215.114,09)	(26.201,74)
Depreciation/ Amortization	4.20	(63.886,21)	(43.316,81)
Other operating expenses	4.20	(9.385,74)	(5.204,70)
Total expenses		**(8.857.330,26)**	**(4.692.935,09)**
Operating results		**979.964,91**	**593.817,10**
Earnings before interest , tax, depreciation and amortization (EBITDA)		**1.043.851,12**	**637.133,91**
Financial expenses	4.21	(27.475,66)	(27.121,33)
Financial income	4.21	208.793,82	77.600,14
Total		**1.161.283,07**	**644.295,91**
Profit before tax		**1.161.283,07**	**644.295,91**
Tax	4.22	(345.319,89)	(188.711,11)
Profit / (Loss) after tax		**815.963,18**	**455.584,80**
Other comprehensive income			
Actuarial gains/losses	4.13	(62.680,00)	(411,00)
Tax on total other income	4.22	18.177,20	119,19
Other comprehensive income after tax		**(44.502,80)**	**(291,81)**
Total comprehensive income after tax		**771.460,38**	**455.292,99**
Profit per share			
Basic (Euro per share)	4.23	40,80	22,78
Impaired (Euro per share)		-	-
		40,80	**22,78**

Cash Flow Statement
for the year ended on 31th of December 2016

Amounts in €	1/1/-31/12/2016	1/1/-31/12/2015
Profit /(Loss) before income tax	1.161.283,07	644.295,91
Adjustment for reconciliation of net cash flows from operating activities:		
Depreciation of intangible and tangible assets	63.886,21	43.316,81
Value impairments / (recovering impairments) of trade receivables	70.000,00	0,00
Provisions	42.478,00	14.524,00
(Interest and similar income)	(208.793,82)	(77.600,14)
Interest and other financial expenses	27.475,66	27.121,33
Operating profit before changes in working capital	**1.156.329,12**	**651.657,91**
(Increase)/Decrease in :		
Trade receivables	(1.660,94)	(1.701,29)
Advances and other receivables	(2.556.720,01)	(238.738,84)
Other long-term receivables	(122.248,00)	(555,00)
Increase /(Decrease) in:		
Suppliers	(918.664,01)	976.753,17
Accrual and other short-term liabilities	6.369.872,10	19.554.114,35
Other long-term liabilities	0,00	(500.000,00)
Cash inflows from operating activities	**3.926.908,26**	**20.441.530,30**
Interest and related expenses paid	(27.475,66)	(27.121,33)
Tax payments	(352.978,45)	(6.257,50)
Net cash inflows from operating activities	**3.546.454,15**	**20.408.151,47**
Cash flow from investing activities:		
(Purchases of tangible and intangible assets)	(996.524,58)	(139.840,23)
Interest proceeds and similar income	208.793,82	77.600,14
Cash outflows from investing activities	**(787.730,76)**	**(62.240,09)**
Cash flows from financial activities (Dividend payments) :	(350.000,00)	0,00
Cash inflows from financial activities	**(350.000,00)**	**0,00**
Effect of changes in exchange rates on cash	0,00	0,00
Net increase in cash	**2.408.723,39**	**20.345.911,38**
Cash at beginning of the period		
Continuing operations	*23.019.469,02*	*2.673.557,64*
Cash at the end of the period	**25.428.192,41**	**23.019.469,02**

Statement of Changes in Equity
for the year ended on 31th of December 2016

Amounts in €	**Share Capital**	**Reserves**	**Reserve from actuarial differences**	**Retained earnings**	**Shareholders' equity**	**Total Equity**
Balance at 31/12/2014	2.000.000,00	6.453,44	(679,00)	74.329,30	2.080.103,74	2.080.103,74
Adjustment due to change in accounting principles	0,00	0,00	0,00	0,00	0,00	0,00
Restated balance at 31/12/2014	**2.000.000,00**	**6.453,44**	**(679,00)**	**74.329,30**	**2.080.103,74**	**2.080.103,74**
Net results 1/1-31/12/2015	0,00	0,00	0,00	455.584,80	455.584,80	455.584,80
Other income 1/1-31/12/2015	0,00	0,00	(411,00)	0,00	(411,00)	(411,00)
Total results 1/1-31/12/2015	**0,00**	**0,00**	**(411,00)**	**455.584,80**	**455.173,80**	**455.173,80**
Other changes in equity for the period 1/1/-31/12/2015						
Formation of reserves	0,00	1.141,33	0,00	(1.141,33)	0,00	0,00
Tax recognized in Equity	0,00	0,00	119,19	0,00	119,19	119,19
Total	**0,00**	**1.141,33**	**119,19**	**(1.141,33)**	**119,19**	**119,19**
Total changes in Equity	**0,00**	**1.141,33**	**(291,81)**	**454.443,47**	**455.292,99**	**455.292,99**
Balance at 31/12/2015	**2.000.000,00**	**7.594,77**	**(970,81)**	**528.772,77**	**2.535.396,73**	**2.535.396,73**

Statement of Change in Equity (continued)
for the year ended on 31th of December 2016

Amounts in €	Share capital	Reserves	Reserve from actuarial differences	Retained earnings	Shareholders' equity	Total Equity
Balance at 31/12/2015	2.000.000,00	7.594,77	(970,81)	528.772,77	2.535.396,73	2.535.396,73
Adjustment due to change in accounting principles	0,00	0,00	0,00	0,00	0,00	0,00
Restated balance at 31/12/2015	**2.000.000,00**	**7.594,77**	**(970,81)**	**528.772,77**	**2.535.396,73**	**2.535.396,73**
Net results 1/1-31/12/2016	0,00	0,00	0,00	815.963,18	815.963,18	815.963,18
Other income 1/1-31/12/2016	0,00	0,00	(62.680,00)	0,00	(62.680,00)	(62.680,00)
Total results 1/1-31/12/2016	**0,00**	**0,00**	**(62.680,00)**	815.963,18	**753.283,18**	**753.283,18**
Other changes in equity for the period 1/1/-31/12/2016						
Formation of reserves	0,00	23.521,10	0,00	(23.521,10)	0,00	0,00
Other adjustments	0,00	0,00	0,00	(575,65)	(575,65)	(575,65)
Tax recognized in Equity	0,00	0,00	18.177,20	0,00	18.177,20	18.177,20
Total	**0,00**	**23.521,10**	**18.177,20**	(24.096,75)	**17.601,55**	**17.601,55**
Total changes in Equity	**0,00**	**23.521,10**	**(44.502,80)**	791.886,43	**770.884,73**	**770.884,73**
Balance at 31/12/2016	**2.000.000,00**	**31.115,87**	**(45.473,61)**	1.320.639,20	**3.306.281,46**	**3.306.281,46**

The accompanying notes presented in pages ***Error! Bookmark not defined.*** *to 38 are an integral part of these financial statements.*

1. General Information

1.1 The company

The company «**VIVA PAYMENT SERVICES SOCIETE ANONYME»** with the distinctive title «**VIVA PAYMENTS**» (from now on referred to as «the company») is based on Marousi, Avenue Amarousiou Halandriou 18 -20 and is registered in the Register of Societe Anonyme Reg. 70355/01AT/B/10/311 and Reg No G.E.MI 122191501000. Its duration has been set to 50 years from the entry in the relevant Register of Societe Anonyme.

Company's annual financial statements for the year 2016 were approved by the Board of Directors on 16 of May 2016.

1.2 Nature of activities

VIVA PAYMENT SERVICES SA (Viva Payments) was founded in November 2010 and licensed by the Bank of Greece as a Payment Institution according to L.3862/2010. Since October 2014, Viva Payments is the first licensed by the Bank of Greece, E-Money License Institution, according to L. 3862/2010 and L.4021/2011

The concept of payment services are introduced by L.3862/2010 in order to put under the supervision and the regulations of the Bank of Greece, payments, collections and acquiring services made by companies on behalf of third parties. For performing these transactions it is now required from the intermediary company to have a License for Providing Payment Services, as featuring Viva Payment Services SA.

2. Basis of preparation of the Financial Statements

2.1 Compliance with I.F.R.S

The financial statements of VIVA PAYMENT SERVICES SA comply with International Financial Reporting Standards (I.F.R.S) issued by the International Accounting Standards Board (I.A.S.B), and the interpretations issued by the Interpretations Committee (IFRIC) of the IASB, effective for annual periods ending 31 December 2016 and adopted by the European Union.

2.2 Basis of preparation of the financial statements

The financial statements of VIVA PAYMENT SERVICES SA have been prepared based on the principle of going concern and the principle of historical cost.

2.3 Approval of the financial statements

These annual financial statements were approved by the Board of Directors on May 16, 2016 and are subject to final approval of the Annual General Meeting.

2.4 Period covered

These annual financial statements include the financial statements of VIVA PAYMENT SERVICES SA and cover the period from 1st of January 2016 until 31 of December 2016.

2.5 Presentation of the financial statements

These financial statements are presented in € (Euro), which is the functional currency of the company, meaning the currency of the primary economic market in which the company operates.

All amounts are presented in Euro , unless stated otherwise.

2.6 New standards, amendments to standards and interpretations to existing standards adopted for first time in the current year

New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2016.

- **Amendments to IAS 19: "Defined Benefit Plans: Employee Contributions" (effective for annual periods starting on or after 01/02/2015)**

In November 2013, the IASB published narrow scope amendments to IAS 19 "Employee Benefits" entitled Defined Benefit Plans: Employee Contributions. The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The amendments affect/ do not affect the consolidated/ separate Financial Statements.

- **Annual Improvements to IFRSs – 2010-2012 Cycle (effective for annual periods starting on or after 01/02/2015)**

In December 2013, the IASB issued Annual Improvements to IFRSs - 2010-2012 Cycle, a collection of amendments to IFRSs, in response to seven issues addressed during the 2010-2012 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 2:** Definition of 'vesting condition', **IFRS 3:** Accounting for contingent consideration in a business combination, **IFRS 8:** Aggregation of operating segments, **IFRS 8:** Reconciliation of the total of the reportable segments' assets to the entity's assets, **IFRS 13:** Short-term receivables and payables, **IAS 16 /IAS 38:** Revaluation method—proportionate restatement of accumulated depreciation and **IAS 24:** Key management personnel services. The amendments affect/ do not affect the consolidated/ separate Financial Statements.

- **Amendments to IFRS 11: "Accounting for Acquisitions of Interests in Joint Operations" (effective for annual periods starting on or after 01/01/2016)**

In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. The amendments affect/ do not affect the consolidated/ separate Financial Statements**.**

- **Amendments to IAS 16 and IAS 38: "Clarification of Acceptable Methods of Depreciation and Amortization" (effective for annual periods starting on or after 01/01/2016)**

In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments affect/ do not affect the consolidated/ separate Financial Statements .

- **Amendments to IAS 16 and IAS 41: "Agriculture: Bearer Plants" (effective for annual periods starting on or after 01/01/2016)**

In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The amendments affect/ do not affect the consolidated/ separate Financial Statements**.**

- **Amendments to IAS 27: "Equity Method in Separate Financial Statements" (effective for annual periods starting on or after 01/01/2016)**

In August 2014, the IASB published narrow scope amendments to IAS 27. Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. The amendments affect/ do not affect the consolidated/ separate Financial Statements**.**

- **Annual Improvements to IFRSs – 2012-2014 Cycle (effective for annual periods starting on or after 01/01/2016)**

In September 2014, the IASB issued Annual Improvements to IFRSs - 2012-2014 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 5**: Changes in methods of disposal, **IFRS 7**: Servicing Contracts and Applicability of the amendments to IFRS 7 to condensed interim financial statements, **IAS 19**: Discount rate: regional market issue, and **IAS 34**: Disclosure of information "elsewhere in the interim financial report". The amendments affect/ do not affect the consolidated/ separate Financial Statements**.**

- **Amendments to IAS 1: "Disclosure Initiative" (effective for annual periods starting on or after 01/01/2016)**

In December 2014, the IASB issued amendments to IAS 1. The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. The amendments affect/ do not affect the consolidated/ separate Financial Statements **.**

- **Amendments to IFRS 10, IFRS 12 and IAS 28: "Investment Entities: Applying the Consolidation Exception" (effective for annual periods starting on or after 01/01/2016)**

In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. The amendments affect/ do not affect the consolidated/ separate Financial Statements**.**

New Standards, Interpretations and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **IFRS 14 "Regulatory Deferral Accounts" (effective for annual periods starting on or after 01/01/2016)**

In January 2014, the IASB issued a new Standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any **.** The above have not been adopted by the European Union, until the issuance of the final Standard.

- **IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)**

In May 2014, the IASB issued a new Standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The key principles on which the Standard is based are consistent with much of current practice. The new Standard is expected to improve financial reporting by providing a more robust framework for addressing issues as they arise, increasing comparability across industries and capital markets, providing enhanced disclosures and clarifying accounting for contract costs. The new Standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related Interpretations. The

Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have been adopted by the European Union with effective date of 01/01/2018.

- **IFRS 9 "Financial Instruments" (effective for annual periods starting on or after 01/01/2018)**

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any **.** The above have been adopted by the European Union with effective date of 01/01/2018.

- **Amendments to IFRS 10 and IAS 28: "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (the IASB postponed the effective date of this amendment indefinitely)**

In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28. The objective of the aforementioned amendments is to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- **IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognize assets and liabilities arising from a lease. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 12: " Recognition of Deferred Tax Assets for Unrealized Losses" (effective for annual periods starting on or after 01/01/2017)**

In January 2016, the IASB published narrow scope amendments to IAS 12. The objective of the amendments is to clarify the accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- **Amendments to IAS 7: "Disclosure Initiative" (effective for annual periods starting on or after 01/01/2017)**

In January 2016, the IASB published narrow scope amendments to IAS 7. The objective of the amendments is to enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- **Clarification to IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)**

In April 2016, the IASB published clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but clarify how those principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- **Amendment to IFRS 2: "Classification and Measurement of Share-based Payment Transactions" (effective for annual periods starting on or after 01/01/2018)**

In June 2016, the IASB published narrow scope amendment to IFRS 2. The objective of this amendment is to clarify how to account for certain types of share-based payment transactions. More specifically, the amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligation, as well as, a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- **Amendments to IFRS 4: "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts" (effective for annual periods starting on or after 01/01/2018)**

In September 2016, the IASB published amendments to IFRS 4. The objective of the amendments is to address the temporary accounting consequences of the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts Standard. The amendments to existing requirements of IFRS 4 permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until 2021 (the "temporary exemption") and also permit all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the "overlay approach"). The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union

- **Annual Improvements to IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2017 and 01/01/2018)**

In December 2016, the IASB issued Annual Improvements to IFRSs – 2014-2016 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2014-2016 cycle. The issues included in this cycle are the following: **IFRS 12:** Clarification of the scope of the Standard, **IFRS 1:** Deletion of short-term exemptions for first-time adopters, **IAS 28:** Measuring an associate or joint venture at fair value. The amendments are effective for annual periods beginning on or after 1 January 2017 for IFRS 12, and 1 January 2018 for IFRS 1 and IAS 28. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- **IFRIC 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB issued a new Interpretation, IFRIC 22. IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- **Amendments to IAS 40: "Transfers of Investment Property" (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property. That change in use should be supported by evidence. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

3. Summary of accounting policies

The significant accounting policies that have been adopted by the company for the preparation of financial statements are summarized below:

3.1 Intangible assets

Software

The software licenses (internally and externally acquired) are evaluated on the basis of cost minus the accumulated amortizations.

The costs associated with the maintenance of computer software costs are recognized in the period in which they occur.

The costs capitalized, are amortized on a straight-line method over the estimated useful life (five to ten years). In addition, the acquired software is reviewed for impairment.

3.2 Tangible assets

They are evaluated at acquisition cost, minus accumulated depreciations and any impairment suffered by the assets. The repair and maintenance cost is booked in the results when such is realized.
Significant improvements are capitalized at cost when they increase the useful life, increase the level of production or improve the efficiency of the related assets
Tangible assets are derecognized upon sale or disposal or when no future economic benefits are expected from their current and future use. Gains or losses resulting from the derecognition of an asset are included in the comprehensive statement of the period in which this asset is derecognized.
Depreciations are calculated using the straight-line method using factors that approximate the useful life of the related assets. Plots are not depreciated. Depreciation of tangible assets is calculated using the straight-line method over their useful life, which is as follows:

- Facilities on the property of third parties , the purchase price , to the years of leasing or the years of their useful life (if less than the year lease)
- Computers and general Hardware (H/Y, screens, cameras, scanners etc.) , 5 years
- Furniture and other equipment, 5 – 10 years

For other tangible assets , the depreciation rates set out in the tax legislation were considered adequate.
For tangible assets, residual values have not been calculated.
When the book values of tangible assets exceed their recoverable value, the differences (impairment) are recognized as expenses in the income statement.

3.3 Financial assets

Financial assets concern only loans and receivables.
The financial assets are classified in different categories by management based on their characteristics and the purpose of the acquisition.
The category in which every financial instrument is classified differs from others, depending on the category it will be recorded, as different rules apply with respect to valuation but also on how to recognize each designated outcome either in statement of comprehensive income or directly in equity.

3.4 Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed and determinable payments which are not quoted in an active market. Created when the company provides money, goods or services directly to a debtor with no commercial intent.
Loans and receivables are measured at amortized cost using the effective interest method less any provision for impairment. Any change in value of loans and advances is recognized when the loans and receivables are removed or reduced in value as well as by implementing the effective interest method.
For some of the claims, a check for impairment is being conducted by individual claims (for instance, for each customer separately) where the collection of overdue debt has been classified at the date of the financial statements or in cases where objective evidence indicates the need to impair them.
The other receivables are pooled and tested for probable impairment at a whole. The grouping of receivables is based on some common credit risk characteristics that describes them.

Claims and loans are included in current assets, except from those maturing after twelve months from the balance sheet date. These are characterized as non-current assets. They are classified as trade and other receivables in the statement of financial position and are the bulk of the financial assets of the company.

3.5 Fair value

The fair value of investments that exist in an active market is proved by reference to quoted market prices at the balance sheet date. If the market for an investment is not active, management determines the fair value by using valuation techniques. The objective of using a valuation technique is to establish what the transaction price will be at the measurement date, for a purely commercial transaction driven by normal business factors. Valuation techniques include among others the use of recent transactions on a purely commercial basis, reference to the current fair value of a similar material instrument and an analysis of discounted cash flow.

3.6 Cash

Includes cash in hand and deposits in bank accounts. It also includes time deposits and other high liquidity investments with initial maturity date less than three months.
For the preparation of the cash flow statement, cash and cash equivalents comprise cash and deposits with banks and cash equivalents as defined above.

3.7 Leases

According to IFRS leases are divided into finance and operating.
Finance leases that substantially transfer all the risks and rewards associated with the leased asset to the lessee are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Payments for finance leases are allocated among the financial expenses that are recognized directly in the income statement and the decrease in the financial liability. The capitalized leased assets are depreciated using the straight-line method over their estimated useful life.
Leases where the lessor retains all the risks and rewards of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

3.8 Tax income (Current and Deferred)

Income tax in the statement of comprehensive income includes current and deferred tax. Income tax is calculated according to the taxable profits resulting from the tax declaration.
Deferred tax income is provided using the liability method on temporary differences at the balance sheet date between the tax base and the carrying value of assets and liabilities. Deferred tax liabilities are recognized for all taxable temporary differences.
Deferred tax assets are recognized for all deductible temporary differences and carried forward tax losses, to the extent that it is probable that taxable profit will be available for use against the deductible temporary differences and the carried forward unused tax losses.
Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that a sufficient taxable profit against which, a part or all of the deferred tax assets may be used. Deferred tax assets and liabilities are measured at tax rates expected to be applied to the period during which the claim will be settled

or the liability being taken care of, based on tax rates (and tax laws) that have come in effect or are substantively enacted at the date of Balance Sheet.
Income tax relating to items recognized directly in equity, is recognized directly in equity and not in the statement of comprehensive income.

3.9 Defined contribution plans

The staff of company is mainly covered by the main National Insurance Agency in relation to the private sector (IKA), which provides pension and medical benefits. Each employee is required to contribute part of their monthly salary to the fund, while part of the overall contribution is paid by the company. Upon retirement, the pension fund is responsible for paying pension benefits to employees. Consequently, the company has no legal or constructive obligation to pay future benefits under this program.
Under the defined contribution plan, the company's obligation (legal or constructive) shall be limited to the amount agreed to contribute to the organization (e.g. fund) that manages contributions and provides benefits. Consequently the amount of benefits the employee will receive is determined by the amount paid by the company (or the employee) and the paid investments of those contributions.
The contribution payable by the company in a defined contribution plan is recognized as a liability after deducting the contribution paid and as a corresponding expense.

3.10 Defined benefit plans

The liability in the balance sheet for the defined benefit plans is the present value of the liability for the defined benefit under the Law 2112/20 and changes resulting from any actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method (projected unit credit method).
Actuarial gains and losses arising from adjustments coming from experience and changes in proportional cases are charged or credited with any deferred tax that relates to other comprehensive income.Past service cost is recognized immediately in profit or loss unless the changes in pension plans are dependent on the retention of employees in service for a specified period of time (vesting date). In this case, past service cost is amortized on a consistent basis until the date the benefits are vested.

3.11 Provisions, Contingent Liabilities and Contingent Receivables

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that it will be cleared through an outflow of resources and a reliable estimate of the liability can be made.
Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expense that is expected to be required to settle the liability. If the effect of the time value of money is significant, the projections are calculated by discounting expected future cash flows with a pre-tax rate that reflects current market estimates for the time value of money and, where appropriate, the risks specific to the obligation.
Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of an outflow of resources involving economic benefits is low. Contingent receivables are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

3.12 Revenues

Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured.
Income from dividends is recognized when the right to receive from shareholders is final, based on the decision from the General meeting of shareholders.
Interest income is recognized on an accrual basis.

3.13 Equity

From the provisions of Law 2190/1920, restrictions are imposed in relation to equity as follows:
The acquisition of own shares, except in the case of acquisition for the purpose of distributing to the employees, cannot exceed 10% of the paid share capital and cannot result in a reduction of equity to an amount less than the amount of share capital plus reserves for which distribution is prohibited by Law.
If the total equity, become lower than ½ of the share capital, the Board of Directors shall convene the general meeting within six months of the end of the year, which will decide the dissolution of the company or the adoption of another measure.
When company's equity becomes below 1/10 of the share capital and the general meeting does not take appropriate measures, the company may be dissolved by court decision at the request of any legitimately concerned.
Annually, at least 1/20 of the net profits transform to statutory reserve, which is used exclusively to equalize, before any dividend distribution, any debit balance of retained earnings. The formation of this reserve becomes optional, when it reaches 1/3 of the share capital.
The payment of annual dividend to shareholders in cash, and at least 35% of net profit, after deducting the statutory reserve and the net result from the measurement of assets and liabilities at fair value, is mandatory. This does not apply, if so decided by the general meeting of shareholders by a majority of at least 65% of the paid share capital. In this case, the undistributed dividend rises up to at least 35% of the above net earnings are recorded in a special reserve account for capitalization within four years by issuing new shares, given to shareholders. Finally, with a majority of at least 70% of the outstanding share capital, the General Meeting of shareholders may decide not to distribute dividend. The company fully complies with the relevant provisions imposed by law in connection with equity.

4. Notes on the statement on financial position and the statement of comprehensive income.

4.1 Tangible assets

The following tables provide an explanation regarding the configuration of the acquisition value and depreciation at 31/12/2015 and 31/12/2016 for the company.

Amounts in €	**Means of transportation**	**Furniture and other equipment**	**Assets under construction**	**Total**
Acquisition cost 1/1/2015	0,00	600,00	18.450,00	19.050,00
less: Cumulative depreciation 1/1/2015	0,00	(473,78)	0,00	(473,78)
Net book value 1/1/2015	**0,00**	**126,22**	**18.450,00**	**18.576,22**
Additions 2015	0,00	7.598,22	0,00	7.598,22
Transfers 2015	0,00	0,00	(18.450,00)	(18.450,00)
Annual depreciation 2015	0,00	(828,71)	0,00	(828,71)
Acquisition cost 31/12/2015	0,00	8.198,22	0,00	8.198,22
less: Cumulative depreciation 31/12/2015	0,00	(1.302,49)	0,00	(1.302,49)
Net book value 31/12/2015	**0,00**	**6.895,73**	**0,00**	**6.859,73**
Additions 2016	15.000,00	0,00	0,00	15.000,00
Annual depreciation 2016	(203,28)	(1.588,35)	0,00	(1.791,63)
Acquisition cost 31/12/2016	15.000,00	8.198,22	0,00	23.198,22
less: Cumulative depreciation	(203,28)	(2.890,84)	0,00	(3.094,12)
Net book value 31/12/2016	**14.796,72**	**5.307,38**	**0,00**	**20.104,10**

Tangible assets are free of pledges/ collaterals.

4.2 Intangible assets

The item intangible assets mainly contains Computer software used by the company.
The book value of intangible assets for the years 2015 and 2016 are the following:

Amounts in €	**Assets under construction**	**Software**	**Total**
Acquisition cost 1/1/2015	18.450,00	173.059,60	191.509,60
less: Cumulative depreciation 1/1/2015	(18.450,00)	(89.770,94)	(89.770,94)
Net book value 1/1/2015	**0,00**	**83.288,66**	**101.738,66**
Additions 2015	0,00	132.242,01	150.692,01
Transfers 2015	0.00	18.450,00	(18.450,00)
Annual depreciation 2015	0,00	(42.488,10)	(42.488,10)
Acquisition cost 31/12/2015	0,00	323.751,61	323.751,61
less: Cumulative depreciation 31/12/2015	0,00	(132.259,04)	(132.259,04)
Net book value 31/12/2015	**0,00**	**191.492,57**	**191.492,57**
Additions 2016	723.241,60	258.282,98	981.524,58
Annual depreciation 2016	0,00	(62.094,58)	(62.094,58)
Acquisition cost 31/12/2016	723.241,60	582.034,59	1.305.276,19
Less: Cumulative depreciation	0,00	(194.353,62)	(194.353,62)
Net book value 31/12/2016	**723.241,60**	**387.680,97**	**1.110.922,57**

4.3 Deferred tax asset

The deferred tax asset on the company's balance sheet and results is analyzed as follows:

Amounts in €	31/12/2016	31/12/2016	31/12/2015	31/12/2015	31/12/2016	31/12/2015
	Receivables	Liabilities	Receivables	Liabilities	Revenue / (Expense)	Revenue / (Expense)
Intangible assets	20,00	0,00	20,00	0,00	0,00	0,00
Liabilities for employee compensation due to retirement	36.851,55	0,00	6.355,73	0,00	12.318,62	4.211,96
Impairment of receivables	20.300,00	0,00	0,00	0,00	20.300,00	0,00
Tax rate difference	354,30	0,00	354,30	0,00	0,00	248,16
Provision of accrued but unbilled commissions	4.554,86	0,00	0,00	0,00	4.554,86	0,00
Total	**62.080,71**	**0,00**	**6.730,03**	**0,00**	**37.173,48**	**4.460,12**
Offsetting	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Deferred tax asset/ (liability)	**62.080,71**	**0,00**	**6.730,03**	**0,00**		
Tax to Equity					**0,00**	**0,00**
Tax to other income					**18.177,20**	**(119,19)**
Tax to the statement of comprehensive income					**55.350,68**	**4.579,31**

Deferred income taxes are calculated on temporary tax differences between the book value and the tax base of assets and liabilities. Deferred tax for the year 2015 was calculated with the tax rate existing at 31/12/2015.
Deferred income taxes are calculated on temporary tax differences between the book value and the tax base of assets and liabilities. Deferred tax for the year 2016 was calculated with the tax rate existing at 31/12/2016.
For the year 2016, the rate used to calculate the income tax and deferred tax is 29% which is the rate set in place by the current law at 31/12/2016.

4.4 Other long term receivables

Other long-term receivables consist of guarantees provided for the company's offices and are analyzed as:

Amounts in €	31/12/2016	31/12/2015
Guarantees of leased buildings	122.248,00	0,00
Guarantees of DEH(Public Power Company)	555,00	555,00
Total	**122.803,00**	**555,00**

4.5 Customers and other trade receivables

Receivables from customers are analyzed as follows:

Amounts in €	31/12/2016	31/12/2015

Internal customers	3.362,23	624,06
Foreign customers	0,00	1.077,23
Total	**3.362,23**	**1.701,29**
less: Provision for impairment of trade receivables	0,00	0,00
Total	**3.362,23**	**1.701,29**

4.6 Advances to suppliers

Advances to suppliers are analyzed as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
Debt balances of Domestic suppliers	349.635,18	3.095,23
Debt balances of Foreign suppliers	14.188,11	0,00
Total	**363.823,29**	**3.095,23**

These amounts refer to the prepayments of services provided to the affiliated companies of the Group, VIVA WALLET SA and VIVA SERVICES SA.

4.7 Tax receivables

Tax receivables are analyzed as follows:

Amount in €	**31/12/2016**	**31/12/2015**
Greek State– Receivables for income tax	180.167,77	8.357,09
Withholding taxes on bank interest	31.319,05	10.117,45
Total	**211.486,82**	**18.474,54**

4.8 Other current receivables

The item «Other current receivables» is analyzed as follows:

Amount in €	**31/12/2016**	**31/12/2015**
Pending transactions	1.923.811,55	437.568,33
Advances to creditors	6.915,03	0,00
Repayment expenses for next year	62.066,01	469,08
Interim dividend Viva Wallet - 2016	350.000,00	0,00
Accrued interest receivable	8.103,32	0,00
Receivables from Board members	2.999,08	2.999,08
Debit Wallet	90.121,17	0,00
Total	**2.444.016,16**	**441.036,49**
less: Provision for impairment debit wallet	70.000.00	0.00
Total	**2.374.016,16**	**441.036,49**

Pending transactions amounting to € 1,923,811.55 relate to the value of transactions that were not cleared by the co-operating banks on 31/12/2016

The movement of the provisions for the group and the company is as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
Balance at the beginning of the period	0,00	0,00
Formation of new provisions	70.000,00	0,00
Balance at the end of the period	**70.000,00**	**0,00**

4.9 Cash

Company's cash is analyzed as presented in the table below:

Amounts in €	**31/12/2016**	**31/12/2015**
Bank deposits	25.428.192,41	22.999.469,02
Bank deposits in Euros	0,00	20.000,00
Total	**25.428.192,41**	**23.019.469,02**

These amounts refer to deposits with recognized domestic and foreign financial institutions.

4.10 Share capital

Company's share capital amounts to **€** 2.000.000,00 and consists of twenty thousands (20.000) ordinary shares with nominal value **€** 100,00 each. All issued shares have been fully paid, providing the same rights to receive dividends and capital repayment and represent one vote at the General Meeting of shareholders.

Amounts in €	**31/12/2016**		**31/12/2015**	
	Number of shares	**Nominal value**	**Number of shares**	**Nominal value**
Number of approved shares				
Ordinary shares	20.000,00	100,00	20.000,00	100,00
Fully paid shares				
Ordinary shares	20.000,00	100,00	20.000,00	100,00

4.11 Reserves

The item «Reserves» for the company is analyzed as follows:

Amounts in €	**Statutory reserve**	**Total**
Balance 1/1/2015	6.453,44	**6.453,44**
Formation of reserves	1.141,33	**1.141,33**
Balance 31/12/2015	**7.594,77**	**7.594,77**
Formation of reserves	23.521,10	**23.521,10**
Balance 31/12/2016	**31.115,87**	**31.115,87**

Reserves are tax free if they are not distributed, otherwise they are taxed under the general laws.

4.12 Retained earning

Retained earnings come from withholding earnings from previous years and the accounting differences from the adjustment to IFRS framework reduced by the formed reserves. The movement of the item during 2016 is shown in detail to the Statement in Changes in Equity table.

4.13 Provision for personnel compensation

The liabilities for personnel compensation was calculated on an actuarial study conducted by an independent actuary, who delivered the study to the company.

Actuarial assumptions

Actuarial assumptions 01/01/2016-31/12/2016	
Technical interest rate	1,50%
Salary future increase	0,50%
Inflation rate	1,80%
Net rate of retirement	0,00%

On 31/12/2016 the company had 155 employees . On 31/12/2015 the company had 55 employees. The amount of liability that is recognized in company's financial statement is:

Amounts in €	**31/12/2016**	**31/12/2015**
Liability to pay compensation for employee	128.265,00	23.107,00
Net liability recognized in the statement of financial position	**128.265,00**	**23.107,00**

According to the revised IAS 19, the liability for employee benefits recognized in the statement of financial position is equal to the actuarial liability at the date of the calculation (paragraph 63).
Also in accordance with the revised IAS 19 (paragraph 141), the liability for employee benefits that is recognized in the statement of financial position at the end of the fiscal year is equal to the liability of the statement of financial position at the beginning of the year after the effect of:

- Service cost
- Interest cost
- Contribution of employees and employers
- Benefits paid
- Gain and losses by cut
- Changes to the actuarial liability or to the assets of the program
- Changes in exchange rate for the calculation of plant assets in case of using a different currency from the one the subject company is using and being located etc.

In accordance to the revised IAS 19 in the Statement of Comprehensive Income (Other Comprehensive Income – OCI) the actuarial gains / (losses) are fully recognized in every year. The amount that is recorded to the equity (OCI), is 62.680,00 euro for the current year instead of € 411,00 for the previous year.

Accounting illustrations

In June 16, 2011 the International Accounting Standards Board (IASB) made the amendment of the standard IAS19. The revised standard IAS19 R is applicable for financial years beginning on and after 1/1/2013. Therefore, for the year of 2016 accounting illustrations were prepared according to IAS19 R.

Amounts in €	**31/12/2016**	**31/12/2015**
Opening defined benefit obligation	23.107,00	8.172,00
Current employment costs	42.016,00	14.279,00
Interest cost	462,00	245,00
Actuarial (gain) / loss	62.680,00	411,00
Liability in Statement of Financial Position	**128.265,00**	**23.107,00**

4.14 Other Provisions

The item concerns provisions for unaudited tax fiscal years of 2011, 2012, 2013 and amount to 1.890,80 euro (note 4.22).

4.15 Suppliers and other trade liabilities

The item« Suppliers and other trade liabilities» is analyzed as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
Domestic and Foreign suppliers	154.910,05	1.073.574,06
Total	**154.910,05**	**1.073.574,06**

All the above mentioned liabilities are considered to be short term. The fair value of these short term financial liabilities is considered to approach its book value.

Liabilities to suppliers are not interest bearing and are normally settled in a short time.

4.16 Tax liabilities

Company's tax liabilities are analyzed as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
VAT liabilities	3.136,10	15.694,15
CSH & EAA liabilities	178.261,29	62.473,39
Fee tax liabilities EU	2.347,12	5.818,72
Liabilities due to municipal fee 2%	383.232,14	193.321,23
Total	**566.976,65**	**277.307,49**

4.17 Other short term liabilities

The item «other short- term liabilities» for the company's are analyzed as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
Pending transactions	399.695,60	444.612,00
Liabilities to personnel	176.053,82	68.658,32
Insurance Organizations (IKA - TSMEDE- Legal Fund)	185.875,76	75.423,41
Accrued expenses	41.344,80	79,00
Other short term liabilities	24.715.595,52	19.171.399,25
Liabilities for Board members	19.901,83	18.001,84
Total	**25.538.467,33**	**19.778.173,82**

4.18 Revenues

Company's revenue are analyzed as follows:

Amounts in €'	**31/12/2016**	**31/12/2015**
Revenues from services (supplies)	9.823.648,60	5.286.751,21
Total	**9.823.648,60**	**5.286.751,21**

4.19 Other operating income

The item «Other operating income» for the company is analyzed as follows:

Amount in €	**31/12/2016**	**31/12/2015**
Extraordinary and Inorganic Revenues	799,75	0,98
Exchange differences	(2.271,02)	0,00
Previous year Income	15.117,84	0,00
Total	**13.646,57**	**0,98**

4.20 Expenses

The total expenses of the company are analyzed as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
Payroll and related expenses	3.273.782,40	1.066.305,61
Payroll and third party fees	5.066.151,90	3.513.038,62
Benefits from third parties	218.665,84	36.390,04
Other taxes	10.344,08	2.477,57
Travel expenses	7.921,02	2.243,48
Advertisement expenses	83.369,59	7.685,39
Subscriptions-contributions	400,33	5.842,00
Other expenses	123.423,15	10.430,87
Other operating expenses	9.385,74	5.204,70
Depreciation/ Amortization	63.886,21	43.316,81
Total	**8.857.330,26**	**4.692.935,09**

Expenses recognized for employee benefits for the company are analyzed as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
Salaries, wages & benefits	2.580.926,27	864.814,28
Social security costs	647.355,13	187.212,33
Other employee benefits	3.485,00	0,00
Current employment costs	42.016,00	14.279,00
Total	**3.273.782,40**	**1.066.305,61**

The company personnel number for the periods presented is as follows:

	31/12/2016	**31/12/2015**
Employees	155	55
Wages	0	0
Total	**155**	**55**

Expenses recognized as third party fees for the company are analyzed as follows:

Amounts in € '	**31/12/2016**	**31/12/2015**
Third party fees	271.181,87	220.616,07
Credit Cards commitments offsetting	3.066.102,02	1.493.018,96
Information system services	798.373,95	386.399,87
Transaction routing costs	196.868,79	113.664,51
Dealer's supplies	442.988,87	327.639,21
Development services from relatives	290.636,40	971.700,00
Total	**5.066.151,90**	**3.513.038,62**

4.21 Financial expenses – income

The analysis of company's financial expenses is :

Amounts in €	**31/12/2016**	**31/12/2015**
Actuarial interest cost	462,00	245,00
Other Bank's expenses	27.013,66	26.876,33
Total	**27.475,66**	**27.121,33**

The analysis of company's financial income is:

Amounts in €	**31/12/2016**	**31/12/2015**
Deposit interest	208.793,82	77.600,14
Total	**208.793,82**	**77.600,14**

4.22 Taxes

The following tables presents the analysis of the company's tax:

Amounts in €	31/12/2016	31/12/2015
Current tax		
Tax for the year	(382.493,37)	(193.171,23)
Total current tax	**(382.493.37)**	**(193.171,23)**
Deferred tax		
Deferred tax from temporary differences	55.350,68	4.579,31
Total deferred tax	**55.350,68**	**4.579,31**
Total tax	**(327.142,69)**	**(188.591,92)**
Applied tax rate	29,00%	29,00%
Profit before tax	1.161.283,07	643.884,91
Tax based on applied tax rate (1)	**(336.772,09)**	**(186.726,62)**
Tax amounts to		
Calculation of deferred tax at a lower rate	0,00	248,16
Costs not recognized for a discount	(8.547,80)	(1.602,70)
Other differences	18.177,20	(510,76)
Total (2)	**(9.629,40)**	**(1.865,30)**
Total (1) +(2)	**(327.142,69)**	**(188.591,92)**

Deferred income taxes are calculated on temporary tax differences between the book value and the tax basic of assets and liabilities. Deferred tax for the year 2015 was calculated at the tax rate applied at 31/12/2015.
Deferred income taxes are calculated on temporary tax differences between the book value and the tax basic of assets and liabilities. Deferred tax for the year 2016 was calculated at the tax rate applied at 31/12/2016.
For the year 2016, the rate used to calculate the income tax and deferred tax is 29% which is the rate set by the current law in 31/12/2016.

Unaudited tax years

VIVA PAYMENT SERVICES S.A. has unaudited the fiscal years from 2011 to 2013.
For fiscal years 2014 and 2015 the company was audited by the audit film MAZARS SA. This audit was conducted in accordance with the provisions of Article 65A of the Code of Tax Procedure (n.4174 / 2013) and the audit program referred to in Nos. P0L.1124 / 2015 decision of the Public Revenue Secretary General and the company received the relevant tax compliance report by the statutory auditor in which he did not express reservations with regard to tax compliance of the company for the year 2015.
For fiscal year 2016 the tax audit is in progress and the relevant tax certificate is to be issued after the preparation of the financial statements for the year 2016. Upon completion of the audit, the Company's Management does not expect to incur significant liabilities other than those recorded and are presented in the Financial Statements.

4.23 Earnings /(losses) per share

The basic earnings per share calculated by dividing the profit or loss of the year, less any dividends by the weighted average number of ordinary shares outstanding during the period.

Amounts in € '	**1/1-31/12/2016**	**1/1-31/12/2015**
Profit (loss) after taxes	802.626,82	455.584,80
Weighted average of shares	20.000	20.000
Basic earnings per share (λεπτά /share)	**40,13**	**22,78**

The weighted average of shares is as follows :

Weighted average of shares	**31/12/2016**	**31/12/2015**
Balance of shares 1/1	20.000,00	20.000,00
Balance of shares 31/12	20.000,00	20.000,00
Weighted average of shares	***20.000,00***	***20.000,00***

4.24 Dividends

The company proceeded with the distribution of an interim dividend of € 350.000,00 to the parent company in the end of the fiscal year, in respect of the final distribution of dividends from the profits for the year to be approved by the Annual General Meeting of Shareholders.

5. Contingent assets and liabilities

There are no material receivables or liabilities.

6. Related parties transactions

The following transactions are transactions with related parties as defined by IAS 24, cumulative from the beginning of the fiscal year to the end of it as well as the rest of the company's assets and liabilities at the end of the current fiscal year, resulting from the specific transactions of related parties.

6.1 Transactions with related parties

Transactions in the year 2016 and the balance on 31/12/2016 with related parties according to IAS 24 is as follows:

Year

01/01/2016 -31/12/2016

Related party	Sales	Purchases	Debit Balance	Credit Balance
VIVA SERVICES S.A (Group Subsidiary)	0,00	166.636,40	173.363,60	0,00
VIVA WALLET (Parent Company)	0,00	124.000,00	176.000,00	0,00
Member of the Board of Directors	0,00	530.681,18	2.999,08	19.901,83

Year

01/01/2015 -31/12/2015

Related party	Sales	Purchases	Debit Balance	Credit Balance
VIVA SERVICES S.A (Group Subsidiary)	537.882,00	509.410,38	154.504,68	625.884,51
VIVA WALLET (Parent Company)	0,00	302.000,00	0,00	247.057,90
Member of the Board of Directors	0,00	109.739,94	2.999,08	18.001,84

The value of purchases shown above concerns members of the Board of Directors of the company related to the remuneration fees of the Board members, which for the year 2016 amounted to € 530.681,18, as well as the cost of the payroll of board members who simultaneously have working relationship with the company, which at 31/12/2016 amounted to € 246.771,16.

7. Capital Management policies and procedures

The Company manages its capital to ensure smooth operation, while ensuring an adequate return to shareholders through the optimization of the relationship between extraneous and own capital.
The Company monitors capital using the ratio of net total liabilities to equity. The net debt includes interest-bearing borrowings less cash and cash equivalents.
The Board of Directors periodically examines the capital structure of the company and takes into account the cost of capital and the risks associated with it to determine the follow up strategy.

Amounts in €	**31/12/2016**	**31/12/2015**
Total net liabilities	962.317,41	(1.865.415,85)
Equity attributable to company's shareholders	3.306.281,46	2.535.396,73
Total net liabilities / Equity	**0,29**	**-0,74**

8. Risk management policies

The company's activities create a variety of financial risks, including foreign exchange and interest rate risks, credit and liquidity risks. The overall risk management program of company's movements focuses in financial markets fluctuations and seeks to minimize potential adverse effects of these fluctuations on the financial performance of the company.
The company does not perform speculative transactions or transactions that are not related to its commercial, investing or borrowing activities.

The financial instruments used by the company mainly consist of deposits in bank accounts, accounts receivables and payables and from long term borrowing.

8.1 Foreign exchange risk

Company's financial situation and cash flows from operating activities are not sensitive to fluctuations in exchange rates as its transactions are in euro.

8.2 Interest rate risk

The operating results and cash flows from operating activities of the company are not sensitive to fluctuations in interest rates as the company has no floating rate contracts.

8.3 Credit risk

The Company has no significant credit risk. The small credit risk that remains, concerns cases of customers that default to fulfill their transactional obligations. The transactions of the company with customers is developing after their credit rating and reliability check, in order to avoid late payment problems and therefore bad debts.
Potential credit risk exists in cash and cash equivalents and investments. In these cases, the risk may arise from failure of the counterparty to meet its obligations to the company. To minimize this credit risk, the company deals only with recognized financial institutions of high credit rating. The company's maximum exposure to credit risk is as follows:

Amounts in €	**31/12/2016**	**31/12/2015**
Other long-term receivables	122.803,00	555,00
Receivables from customers and other trade receivables	3.362,23	1.701,29
Advances	363.823,29	3.095,23
Tax receivables	211.486,82	18.474,54
Other current receivables	2.374.016,16	441.036,49
Cash and Cash equivalent	25.428.192,41	23.019.469,02
Total	**28.503.683,91**	**23.484.331,57**

8.4 Liquidity risk

Prudent liquidity management is achieved by an appropriate mix of cash and bank credit.
The company manages the risks that may arise from lack of adequate liquidity by ensuring that there is always secured bank credit to use.
The following table summarizes the maturity profile of financial liabilities of the company shown in the balance sheet at discounted prices, based on its payments under the relevant loan contracts or agreements with suppliers.

Financial liabilities 31/12/2016	**Less than 1 year**	**1 year to 5 years**	**After 5 years**	**Total**
Suppliers and other trade liabilities	154.910,05	-	-	**154.910,05**
Other short-term liabilities	26.118.780,34	-	-	**26.118.780,34**
Borrowing liabilities	-	-	-	**0,00**
Other long-term liabilities	-	-	-	**0,00**
Total	**26.273.690,39**	**0,00**	**0,00**	**26.273.690,39**

Financial liabilities 31/12/2015	**Less than 1 year**	**1 year to 5 years**	**After 5 years**	**Total**

Suppliers and other trade liabilities	1.073.574,06	-	-	**1.073.574,06**
Other short-term liabilities	20.055.481,31	-	-	**20.055.481,31**
Borrowing liabilities	-	-	-	**-**
Other long-term liabilities	-	-	-	**0,00**
Total	**21.129.055,37**	**0,00**	**0,00**	**21.129.055,37**

9. Subsequent Events

There are no other significant events subsequent to December 31, 2016, which should be disclosed or altered attributed to the published financial statements.

Marousi, 02 June 2017

The President & Chief Executive Officer	The Vice President	The Accountant
Haralampos Karonis ID AM 207833	Larios Ioannis ID AE 135983	Dimitrios Kontoulis ID AB597533 A.M.A 100209 A CLASS

These financial statements (pages **Error! Bookmark not defined.**– 37) are those mentioned in the auditor's report dates at 16 May 2017.

MAZARS

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Athens, 02/06/2017
The Certified Public Accountant

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