VIVA PAYMENT SERVICES SA

ANNUAL FINANCIAL REPORT

for the year from
1st January 2018 to 31st December 2018

in accordance with
International Financial Reporting Standards
(I.F.R.S.)

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Independent Auditor's Report

To the Shareholders of **VIVA PAYMENT SERVICES SA**

Opinion

We have audited the financial statements of **VIVA PAYMENT SERVICES SA** (the Company), which comprise the statement of financial position as at December 31, 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

A) In our opinion, the Directors' Report has been prepared in accordance with the legal requirements of Article 43a and 107A of Codified Law 2190/1920 and its content corresponds with the financial statements for the year ended 31/12/2018.

B) Based on the knowledge we obtained during our audit of « VIVA PAYMENT SERVICES SA » and its environment, we have not identified any material inconsistencies in the Report of the General Council.

Palaio Faliro, 08/03/2019

The Certified Public Accountant

Konstantinos Makris
ELTE Reg. No: 1483

MAZARS Certified Public Accountants and Business Advisors S.A.
14 Amfitheas Avenue, Athens, 175 64, Greece
ELTE Reg. No: 17

Annual Report
of the Board of Directors

presented to the Annual General Meeting of Shareholders
VIVA PAYMENT SERVICES S.A.
on the Financial Statements
for the year ended 31st December 2018

Annual Financial Report of the Board of Directors
For the time period from January 1st to December 31st 2018

Dear Shareholders,

The present Annual report of Board of Directors is about the financial year of 2018, and has been prepared in accordance with the applicable international standards. This report fairly represents the information required under the relevant provisions of Codified Law 2190/1920 and the Law 3556/2007 (F.E.K. 91A/30.4.2007).

It contains financial information of «VIVA PAYMENT SERVICES SA» («The Company») for year 2018 and describes important facts that took place in this year and its effects on the annual Financial Statements. It also describes major risks and uncertainties that the Company may face during the next year.

I. PERFORMANCE AND FINANCIAL POSITION

During 2018, the Company achieved significant growth in Greece by maintaining and expanding upon its large client base earned in 2017. The Company has solidified its standing as a significant player in the Greek payments market.

Additionally, the Company successfully migrated from being a Payment Facilitator to becoming a full-service licensed Card Acquiring payments provider by MasterCard and VISA, strengthening its brand and gaining a significant number of new merchants. This change, has been accompanied by the porting of the entire acquiring business to Viva Payments' own infrastructure with direct connectivity to the Card Schemes, which has been reflected to lower acquiring costs. In parallel, the Company became also a licensed Card Issuer from MasterCard and Visa, entering the "Business Cards" segment and offering a comprehensive, "bank-in-a-box" service that combines a Payment Account with local IBAN, a card terminal for card acceptance and a business card. This activation of its Acquiring and Issuing license, enabled the Company to design, develop and offer innovative financial products that combine key features from both. For instance, in 2018 Viva Payments has been the only European Payment Provider to offer a 0% Acquiring Pricing package, when acquiring is combined with the use of a business debit card. Additionally, the activation of the Acquiring License enabled Viva Payments to restructure its pricing to the benefit of its clientele, and provide transparency through the adoption of an "Interchange++" pricing mechanism.

Furthermore, the Company successfully completed the first phase of establishment in the major European markets of the UK, Belgium, Romania, and Cyprus and has already started to show significant growth evidence on a period-to-period basis Viva Payments has established local presence with offices and personnel in each country, and has obtained local country IBAN codes (Sort codes for UK) referencing its Payment Accounts. This enabled Viva Payments, to solidify the localization of its products, which now comprises local language, local IBANs, connectivity to local payment schemes and support for local closed-loop cards. The Company is already planning its new phase of expansion to penetrate new significant European markets.

2018 was the first year of operation under the new organizational structure entailing outsourcing of Client Interaction & Support as well as Sales Functions, outside its main core operations. This new structure offered high scalability, cost efficiency, multi-lingual capacity and fast deployment in several countries. Furthermore, the Company built robust risk-frameworks and intelligent data-driven risk-monitoring mechanisms that facilitate KYC processes and payments security, across European jurisdictions.

In this course, the Company continued to invest in innovative technologies to enhance all aspects of the payments services that it offers. Both operational and financial figures stated below reflect the growth driven by these investments and by the Company's operational and strategic goals.

At constant scope, the Company's revenue stood at € 18.891 th. representing an organic growth of +43.5% (€ 5.727 th.) compared with 2017. Revenue growth in second half 2018 (42.67% from first half 2018) accelerated sequentially as planned compared with the growth rate reported in first half 2018, as the comparative effect arising from international expansion commenced in March 2018.

- Acquiring Services, which represented 88.9% of the Company's revenue, grew by +43.4% and reached € 16.808 th., led by the growth in Merchant Payment Services.
- Issuing for 2.5% of total revenue, reached € 452 th., improving by +3.7 times compared to 2017.

- Representing 8.6% of total revenue, Accounts (e-Transactional Services) revenue reached € 1.632 th., increasing by 23.2%.

Regarding geographic breakdown, revenue growth was mostly driven domestically (€ 17.825 th. or +94.35%) reflecting the strong growth of the Group's Greek operations. Growth in United Kingdom, Belgium, Romania & Cyprus was significantly notable (€ 1.066 th. or +5.6%). It is important to note that over the last two months of 2018, the international-domestic revenue mix surpassed 11%.

Volume of transactions reached € 1.232 mil. by the end of December 2018, out of which € 87 mil. (7%) were from international operations. Volume grew by 52.1% compared to 2017 (€ 810 mil.) depicting the organic growth of the Group. The number of transactions, respectively increased by +90% reaching 29.2 mil in 2018, compared to 15.3 mil at 2017. Transactions held internationally amounted to 1.6 mil by December 2018 (5.6% of the total).

EBITDA for the Company reached € 4.265 th. profit in 2018 compared to € 1.213 th. profit 2017.

For a more comprehensive presentation of the Company's operations during the year ended 31/12/2018, we present the following financial ratios:

Financial Ratio Table

	31/12/2018	31/12/2017
A) Financial leverage and asset structure ratios		
1. Debt to equity ratio:		
$\frac{\text{Long-term Liabilities}}{\text{Equity}}$	5,21%	9,48%
B) Capitalization ratio		
1. Current asset to total asset:		
$\frac{\text{Current assets}}{\text{Total assets}}$	88,16%	90,55%
2. Fixed asset to total assets:		
$\frac{\text{Non-current assets}}{\text{Total assets}}$	11,84%	9,45%

	31/12/2018	31/12/2017
C) Liquidity ratio		
1. Capital liquidity ratio:		
Current assets / Short term Liabilities	110,17%	99,89%
2. Cash ratio:		
Cash and cash equivalents / Current assets	82,95%	70,48%
D) Profitability ratio		
1.Operating results on sales:		
Operating Results / Revenues	20,32%	8,07%
2. Return on Equity (ROE):		
Profit/(Loss) before tax / Equity	36,96%	43,14%

II. SIGNIFICANT EVENTS DURING THE YEAR 2018

In 2018, the Company has successfully implemented numerous operational and strategic objectives such as:

- Company's reauthorization by the Central Bank of Greece as an Electronic Money Institution due to the provisions of the new, revised Payment Service Directive 2 which was transposed into the Greek legislation with the Law 4537/2018.
- Activation of its Principal Membership license in Issuing – Viva Debit Card.
- Achieved vertical integration and end-to-end connectivity to Card Schemes, without any intermediary, by utilizing its own MS-Azure cloud-based infrastructure for acquiring and issuing. This has led to a significant reduction in direct acquiring costs.
- Enable the provision of white label card issuing and card-processing services to other Financial Institutions.
- Viva Holdings ("the Parent Company") has established a 100% subsidiary in the UK which will follow the process to apply for a UK Banking Charter, so as to achieve significant synergies between entities in the UK Market.
- Shared Capital increased by € 5 mil., fully paid on 09/07/2018 as decided in the General Meeting held on 20/06/2018. There was no change in the Shareholders' Equity Structure.
- International presence in UK, Belgium, Romania and Cyprus.
- Entered acquiring for Big Retailers in Greece. Beginning of phase out of stores.
- Direct integration with payment systems for automating money transfers in Greece, Belgium, Cyprus and UK.
- Strategic partnership with prominent International software Company for software development outsourcing
- Launched new version of Merchant online self-care with activity feed and new customer on-boarding process.

III. NEXT YEAR PROSPECTS

The Company will continue the implementation of its development plan as follows:

- Establishment of branches in new countries: Italy, Portugal, France, Poland, Germany, Netherlands, Spain and other.
- Acquiring license from American Express, China Union Pay, Bancontact and JCB to enhance the portfolio of schemes.
- Start integrating Microsoft Dynamics 365 cloud platform for Sales, Customer Care, Marketing and Finance.
- Development of scalable mechanism of field sales, to address the MicroSME and SME merchant base in each country.

IV. SIGNIFICANT EVENTS AFTER 31 OF DECEMBER 2018 AND UNTIL THE PREPARATION DATE OF THIS REPORT

There were no significant events after December 31st 2018, which affect the Financial Statements.

V. RISKS AND UNCERTAINITIES

Company, through its business activities, is exposed to a range of financial risks that the Company's management, through existing strategies and procedures continuously assess to ensure that all necessary and possible measures and actions are taken to minimize any negative impact. Actions taken by competitors may negatively impact the Company's results, specifically when reduced prices due to competition are not offset by reduced costs from increased operational productivity. Furthermore, economic environment uncertainty along with changing government regulations on corporate taxation and labour law, may affect the Company's financial results.

Credit Risk

Credit risk, concerns the possibility for a counterparty to cause a financial loss to the Company due to breach of its contractual obligations. The Company has a sufficient dispersion of clients and faces no risk of dependency from a large part of them. The Company's nature of services which entails prepayment by the merchants 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 financial obligations.

Borrowing – Interests rates

The Company does not hold any loans.

Foreign Exchange Risk

Company's financial situation and cash flows from operating activities are subject to fluctuations in exchange rates as there are transactions denominated in other currencies other than EUR (GBP, RON, etc.).
Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities. Monetary assets and liabilities held in foreign currencies are closely monitored to ensure that they are not materially affected by adverse foreign currency fluctuations.

VI. PERSONNEL AND ENVIRONMENTAL ISSUES

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

The relationships between the executives and staff are excellent and no labor issues have been noted.

The Company recognizes the need for continuous improvement of environmental performance and operates in such a way as to ensure the protection of the environment and the health and safety of its employees through a modern and safe working environment.

VI. TRANSACTIONS WITH RELATED PARTIES

All transactions from and with related parties are carried out under prevailing market terms. All significant related party transactions, as defined by IAS 24, are fully disclosed in note 7 in the Annual Financial Statements for the financial year ended on December 31, 2018.

Amounts are expressed in € '		
Debit Balance	**31/12/2018**	**31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	3.116.426	273.472
VIVA WALLET SA (Parent Company)	122.248	519.182
Board members	17.506	14.206
Total	**3.256.180**	**806.859**

Amounts are expressed in € '		
Credit Balance	**31/12/2018**	**31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	-	109.058
VIVA WALLET SA (Parent Company)	2.368.853	366.744
VIVA WALLET LTD (Group Subsidiary)	5.736	-
Board members	143.807	1.708
Total	**2.518.396**	**477.509**

Amounts are expressed in € '		
Sales	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	386.962	385.025
Total	**386.962**	**385.025**

Amounts are expressed in € '		
Purchases	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	394.450	-
VIVA WALLET SA (Parent Company)	354.000	354.000
Board members	1.641.959	1.015.915
Total	**2.390.409**	**1.369.915**

VII. OTHER INFORMATION

Share capital structure - Treasury shares

The share capital of the Company consists of 70,000 ordinary shares of nominal value € 100,00 each. All issued shares have been paid entirely, provide the same rights to receive dividends and to repay capital and represent one vote per share at the General Shareholders' Meeting of the Company.

There are no Company shares with special control rights. In addition, the Company's Articles of Incorporation do not provide any restrictions on voting rights.

The Company does not own treasury shares.

Research and development activities

There are no Research and Development activities.

Litigation cases

There are no litigation or court decisions that may have a significant effect on the financial position or operation of the Company.

Branches

Establishment of branches in Belgium and Cyprus.

Significant transactions with related parties

The balances of receivables and / or liabilities between the Company and its related parties as at 31 December 2018, as well as, the Company's transactions with related parties for the year ended December 31, 2018 are performed during the Company's normal operation.

Financial instruments

The financial instruments, which holds the Company, mainly consisted of deposits in banks, bank's accounts, accounts receivables and payables and long term borrowings.
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VII. DIVIDEND POLICY

The Board of Directors proposes to the Annual General Meeting of Shareholders to distribute dividend from the net (after tax) profits of 2018 of € 2.500.000,00. From the net profits of the year 2018 plus the accumulated of the profits of the previous fiscal years, it is proposed to hold a statutory reserve of € 132.862.

Dear Shareholders,

Following the above, detailed and substantiated report on the Company's proceedings, and after we thank you for your trust in the Company, the Board of Directors and I personally approve the statutory Financial Statements that are comprised of the Statement of Financial Position as of 31 December 2018, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes of the annual Financial Statements.

Exact excerpt from the Board of Directors' book

Marousi Attikis , 08/03/2019
The President &
Chief Executive Officer

Haralampos Karonis

The above annual financial report from the Board of Directors to the General Assembly, consisting of 7 pages, is the one mentioned in the audit report issued on 08/03/2019

Palaio Faliro, 08/03/2019
The Certified Auditor

MAZARS Certified Public Accountants
Business Advisors SA
14, Amfitheas Ave. -175 64 Palaio Faliro
ELTE Reg No: 17

Konstantinos Makris
ELTE Reg No.: 1483

VIVA PAYMENT SERVICES SA

ANNUAL FINANCIAL REPORT

for the year from
1st January 2018 to 31st December 2018
in accordance with
International Financial Reporting Standards (I.F.R.S.)

These Financial Statements were approved by the Board of Directors of VIVA PAYMENT SERVICES S.A on 08/03/2019

Registered Offices	**18-20 Amarousiou Ave., 15125 Marousi Greece**
Reg. Num	**70355/01AT/B/10/311**
G.E.MI. Reg. No	**122191501000**

Marousi, 08/03/2019

The President & Chief Executive Officer	The Vice President	The accountant
Haralampos Karonis	Ioannis Larios	Dimitrios Kontoulis ID AB 597533
ID AM 207833	ID AH 118023	A.M.A 100209 A CLASS

Statement of Financial Position
as at 31st of December 2018

Amounts are expressed in € '	Note	31/12/2018	31/12/2017
Assets			
Non current assets			
Property Plant & Equipment	5.1	1.506.578	203.273
Intangible assets	5.2	3.628.854	2.199.436
Deferred tax asset	5.3	89.631	69.562
Other non-current assets	5.4	1.404.499	633.700
Total non- current assets		**6.629.562**	**3.105.970**
Current assets			
Trade and other receivables		-	530.299
Prepayments	5.5	3.918.908	389.759
Receivables from taxes	5.6	430.743	383.786
Other current receivables	5.7	4.068.529	7.485.773
Cash and cash equivalents	5.8	40.968.580	20.983.731
Total current assets		**49.386.759**	**29.773.348**
Total assets		**56.016.322**	**32.879.319**
Equity and Liabilities			
Equity			
Share capital	5.9	7.000.000	2.000.000
Reserves	5.10	82.667	31.116
Reserves from actuarial differences		(14.523)	670
Retained earnings	5.11	3.566.888	776.326
Total Equity		**10.635.032**	**2.808.112**
Long term Liabilities and Provisions			
Provision for personnel compensation	5.12	219.231	114.352
Other provisions	5.13	334.740	151.891
Total long term Liabilities		**553.971**	**266.243**
Short term Liabilities			
Trade and other liabilities	5.14	966.913	663.889
Liabilities from taxes	5.15	1.428.956	646.581
Other short term liabilities	5.16	42.431.449	28.494.494
Total short term Liabilities		**44.827.318**	**29.804.964**
Total Liabilities		**45.381.290**	**30.071.207**
Total Equity and Liabilities		**56.016.322**	**32.879.319**

Statement of Comprehensive Income
for the year ended 31st of December 2018

Amounts are expressed in € '	Note	1/1 - 31/12/2018	1/1 - 31/12/2017
Revenues	5.17	18.891.178	13.164.122
Other operating income		-	5.992
Interchange fees and other direct transactional costs	5.18	(6.805.063)	(5.383.133)
Net Revenue		**12.086.115**	**7.786.981**
Other cost of sales	5.18	(652.501)	(654.420)
Gross Profit		**11.433.614**	**7.132.561**
Payroll and related expenses	5.18	(5.319.714)	(4.837.786)
General, selling and administrative expenses	5.18	(1.848.846)	(1.081.871)
Depreciation / Amortization		(426.047)	(151.143)
Total expenses		**(7.594.606)**	**(6.070.800)**
Operating results		**3.839.008**	**1.061.761**
Earnings before tax, interest depreciation and amortization (EBITDA)		**4.265.055**	**1.212.904**
Finance income	5.19	206.801	203.562
Finance costs	5.19	(115.113)	(53.967)
Profit before tax		**3.930.696**	**1.211.356**
Tax	5.20	(1.088.583)	(405.669)
Profit/(Loss) after tax		**2.842.113**	**805.687**
Actuarial gains / losses	5.13	(20.257)	64.991
Deferred tax on actuarial (gains) / losses	5.13, 5.20	5.064	(18.847)
Other comprehensive income for the period after taxes		**(15.193)**	**46.144**
Total comprehensive income / (loss) after taxes		**2.826.920**	**851.831**
Earnings / (losses) per share			
Basic (€ / share)	5.21	61,09	40,28

Cash Flow Statement
for the year ended 31st of December 2018

Amounts are expressed in € '	1/1 - 31/12/2018	1/1 - 31/12/2017
Profit /(Loss) before income tax	3.930.696	1.211.356
Adjustment for reconciliation of net cash flows from operating activities:		
Amortization/ Depreciation of intangible and tangible assets	426.047	151.143
Provisions	267.472	201.078
Interest and similar income	(206.801)	(203.562)
Interest and other financial expenses	115.113	53.967
Operating profit before changes in working capital	**4.532.526**	**1.413.982**
(Increase)/Decrease in :		
Trade receivables	530.299	(526.937)
Advances and other receivables	(158.861)	(5.309.992)
Other long-term receivables	(770.799)	(510.897)
(Increase)/Decrease in :		
Suppliers	303.024	508.979
Accrual and other short-term liabilities	13.615.742	3.035.631
Cash inflows/outflows from operating activities	**18.051.931**	**(1.389.234)**
Interest and related expenses paid	(115.111)	(53.967)
Tax payments	-	(431.997)
Net cash inflows/outflows from operating activities	**17.936.820**	**(1.875.198)**
Cash flow from investing activities:		
Purchases of tangible and intangible assets	(3.158.770)	(1.422.826)
Interest proceeds and similar income	206.800	203.562
Cash outflows from investing activities	**(2.951.970)**	**(1.219.264)**
Cash flows from financial activities:		
Proceeds from capital increases	5.000.000	-
Dividend payments	-	(1.350.000)
Cash inflows/outflows from financial activities	**5.000.000**	**(1.350.000)**
Net increase in cash	**19.984.850**	**(4.444.462)**
Cash at beginning of the period	**20.983.731**	**25.428.192**
Cash at the end of the period	**40.968.580**	**20.983.731**

Statement of Changes in Equity
for the year ended 31st of December 2018

Amounts are expressed in € '	Share capital	Reserves	Reserves from actuarial differences	Retained earnings	Total Equity
Balance as at 31/12/2016	**2.000.000**	**31.116**	**(45.474)**	**1.320.639**	**3.306.281**
Profit/ (Loss) for the period 1/1-31/12/2017	-	-	-	805.687	805.687
Other comprehensive income for the period 1/1-31/12/2017	-	-	64.991	-	64.991
Total comprehensive income 1/1-31/12/2017	**-**	**-**	**64.991**	**805.687**	**870.678**
Other changes in equity for the period 1/1-31/12/2017					
Distribution in accordance with General Meeting	-	-	-	(1.350.000)	(1.350.000)
Tax recognized in Equity	-	-	(18.847)	-	(18.847)
Total	**-**	**-**	**(18.847)**	**(1.350.000)**	**(1.368.847)**
Total changes in Equity	**-**	**-**	**46.144**	**(544.313)**	**(498.169)**
Balance as at 31/12/2017	**2.000.000**	**31.116**	**670**	**776.326**	**2.808.112**

Amounts are expressed in € '	Share capital	Reserves	Reserves from actuarial differences	Retained earnings	Total Equity
Balance as at 31/12/2017	**2.000.000**	**31.116**	**670**	**776.326**	**2.808.112**
Profit/ (Loss) for the period 1/1-31/12/2018	-	-	-	2.842.113	2.842.113
Other comprehensive income for the period 1/1-31/12/2018	-	-	(20.257)	-	(20.257)
Total comprehensive income 1/1-31/12/2018	**-**	**-**	**(20.257)**	**2.842.113**	**2.821.856**
Other changes in equity for the period 1/1-31/12/2018					
New reserves	-	51.551	-	-	51.551
Share capital increase	5.000.000		-	-	5.000.000
Tax recognized in Equity	-		5.064	-	5.064
Total	**5.000.000**	**51.551**	**5.064**	**-**	**5.056.615**
Total changes in Equity	**5.000.000**	**51.551**	**(15.193)**	**2.842.113**	**7.878.471**
Balance as at 31/12/2018	**7.000.000**	**82.667**	**(14.523)**	**3.618.439**	**10.686.583**

The attached notes which presented on pages 18 to 42 are an integral part of these Financial Statements.

1. General Information

1.1 The Company

The Company **"VIVA PAYMENT SERVICES S.A"**, with the distinctive title "**VIVA PAYMENTS**" (the Company), is registered in Greece as a Societe Anonyme Company according to the provisions of Company Law 2190/1920, with headquarters in Marousi, 18-20 Amaroussiou - Chalandriou street, 15125.

The Company was established in 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.

1.2 Activities

The concept of payment services is 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. Framework for the preparation of the Financial Statements

2.1 Compliance with the IFRS

The Financial Statements of **VIVA PAYMENT SERVICES S.A.** have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as endorsed by the European Union (EU).

2.2 Basis of preparation of the Financial Statements

The Financial Statements of **VIVA PAYMENT SERVICES S.A.** have been prepared on the basis of the going concern principle and historical cost convention.

2.3 Approval of the Financial Statements

The present annual Financial Statements have been approved by the Company's Board of Directors on 08/03/2019 and are subject to the approval of the Annual General Meeting of the shareholders.

2.4 Covered Period

The Financial Statements include the Financial Statements of **VIVA PAYMENT SERVICES S.A.** and cover the period from 1st January 2018 to 31st December 2018.

2.5 Presentation of the Financial Statements

The Financial Statements are presented in €, which is the functional currency of the Company, namely the currency of the primary economic environment in which the Company operates.
All amounts are in Euro, unless otherwise explicitly indicated.
Any differences in totals are due to rounding.

2.6 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after January 01, 2018. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 40 (Amendments) "Transfers of Investment Property"

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence.
The application of the amendments did not have impact on Financial Statements of the Company.

IFRS 2 (Amendments) "Classification and measurement of Shared-based Payment transactions"

The amendments clarified the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority.
The application of the amendments did not have impact on Financial Statements of the Company.

IFRS 4 "Insurance Contracts" Applying IFRS 9 "Financial Instruments" with IFRS 4 "Insurance Contracts"

The amendments provide two options for entities that issue insurance contracts within the scope of IFRS 4:

- an option that permits entities to reclassify, from profit or loss to other comprehensive income, some of the income or expenses arising from designated financial assets; this is the so-called *overlay approach*;
- an optional temporary exemption from applying IFRS 9 for entities whose predominant activity is issuing contracts within the scope of IFRS 4; this is the so-called *deferral approach*.
- The application of both approaches is optional, and an entity is permitted to stop applying them before the new insurance contracts standard is applied.

The *overlay approach* is to be applied when IFRS 9 is first applied. The *deferral approach* is effective for annual periods beginning on or after 1 January 2018 and is only available for three years after that date.
The application of the amendments did not have impact on Financial Statements of the Company.

IFRS 9 "Financial Instruments"

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model that was applied under IAS 39. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the previous model in IAS 39.

On January 1, 2018, the Company adopted IFRS 9 Financial Instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement, and changes the requirements for the impairment of the Company's financial assets.

The Company applied the standard retrospectively without restatement of the comparative information for prior years, on 1 January 2018.

IFRS 9 was adopted without restating comparative information and therefore the adjustments arising from the new classification and impairment rules are not reflected in the statement of financial position on 31 December 2017, but are recognized in the opening statement of financial position on 1 January 2018.

The Company has applied the simplified approach in paragraph 5.5.15 of IFRS. 9 for the impairment of the expected credit losses on balances of trade and other receivables at the date of initial application.

The application of the above standard did not have a significant impact on Financial Statements of the Company. All assumptions, accounting policies and calculation techniques that have been applied since 01.01.2018 to assess the impact of the initial application of IFRS 9 will continue to be subject to review and improvements.

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity recognises revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.

IFRS 15 applies to all contracts with customers, except those in the scope of other standards such as:
- Financial instruments and other contractual rights or obligations within the scope of IFRS 9 'Financial Instruments', IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements', IAS 27 'Separate Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures';
- Lease contracts within the scope of IAS 17 'Leases' (or IFRS 16 'Leases'); and
- Insurance contracts within the scope of IFRS 4 'Insurance Contracts'.

IFRS 15 supersedes IAS 11 "Construction Contracts", IAS 18 "Revenue" and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards.

The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

On 1.1.2018, the Company adopted IFRS 15 by using the modified retrospective approach, meaning that the cumulative impact of the adoption was recognized in retained earnings and comparatives were not restated. However, they had no impact on their profitability, liquidity or financial position by applying IFRS 15 for the first time. Therefore, opening retained earnings for 2018 were not adjusted.

Revenue is the amount of consideration expected to be received in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (value-added tax, other sales taxes etc.).

Variable considerations are included in the transaction price and they are estimated using either the expected value method, or the most likely amount method.

Revenue is recognized when (or as) a performance obligation is satisfied by transferring the control of a promised good or service to the customer. A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. Control is transferred over time or at a point in time .

Revenue from the sale of goods is recognized when control of the good is transferred to the customer, usually upon delivery and there is no unfulfilled obligation that could affect the customer's acceptance of the products. The main products of Company are POS Machines, Debit Cards, VoIP devices and talk time renewal codes for sell phones. Furthermore, the Company provides Show and sporting event's tickets, travel services etc.

Revenue arising from services is recognized in the accounting period in which the services are rendered, and it is measured using either output methods or input methods, depending on the nature of service provided.

A receivable is recognized when there is an unconditional right to consideration for the performance obligations to the customer that are satisfied.

A contract asset is recognized when the performance obligation to the customer is satisfied before the customers pays or before payment is due, usually when goods or services are transferred to the customer before the Company has a right to invoice.

A contract liability is recognized when there is an obligation to transfer goods or services to a customer for which the Company has received consideration from the customer (prepayments) or there is an unconditional right to receive consideration before the Company transfers a good or a service (deferred income). The contract liability is derecognized when the promise is fulfilled and revenue is recorded in the profit or loss statement.

Revenue from rental income arising, from operating leases, is accounted for on a straight-line basis over the lease terms.

IFRIC 22 “Foreign currency transactions and advance consideration”

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts.
This amendment has no impact in the Company.

Annual Improvements to IFRS 2014 (2014 – 2016 Cycle)

IAS 28 “Investments in associates and Joint ventures”

The amendments clarified that when venture capital organizations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.
This amendment has no impact in the Company.

Standards and Interpretations effective for subsequent periods

IAS 1 and IAS 8 (Amendments) “Definition of a material” (effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS.
The amendments have not yet been endorsed by the EU.

IAS 19 (Amendments) “Plan amendment, curtailment or settlement” (effective for annual periods beginning on or after 1 January 2019)

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur.
The amendments have not yet been endorsed by the EU.

IAS 28 (Amendments) "Long term interests in associates and joint ventures" (effective for annual periods beginning on or after 1 January 2019)

The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9.
The amendments have not yet been endorsed by the EU.

IFRS 3 (Amendments) "Definition of a business" (effective for annual periods beginning on or after 1 January 2020)

The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others.
The amendments have not yet been endorsed by the EU.

IFRS 9 (Amendments) "Prepayment Features with Negative Compensation" (effective for annual periods beginning on or after 1 January 2019)

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss.
The Company is currently assessing the impact of the amendment.

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.
The Company is currently assessing the impact of IFRS 16.

IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 1 January 2021)

IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2021.
The new standard has not yet been endorsed by the EU.

IFRIC 23 "Uncertainty over income tax treatments" (effective for annual periods beginning on or after 1 January 2019)

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

Annual Improvements to IFRS (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRSs.
The amendments have not yet been endorsed by the EU.

IAS 12 "Income taxes"

The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing costs"

The amendments clarify that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

IFRS 3 "Business combinations"

The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint arrangements"

The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

3. Critical accounting estimates and judgments

The preparation of the Financial Statements in accordance with the International Financial Reporting Standards requires estimates and management judgements, which may affect the application of the accounting policies and the amounts included in the Financial Statements.

Estimates and judgements are continuously evaluated and are based on historical experience as adjusted for current market conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3.1 Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

3.2 Recoverability of deferred tax assets

Deferred tax assets include certain amounts which relate to carried forward tax losses. In most cases, depending on the jurisdiction in which such tax losses have arisen, such tax losses are available for set off for a limited period of time since they are incurred. The Company makes assumptions on whether these deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for relevant entity.

3.3 Estimation of the useful life and residual value of tangible assets

Judgment is required in determining the useful life and the residual value of tangible assets. The estimation of the useful life of an asset is a matter of judgment based on the experience of the Company's management of similar assets. The residual value and the useful life of an asset are reviewed at least annually, taking into account new facts and prevailing market conditions.

3.4 Provision for impairment of receivables

Management evaluates the estimated allowance based on specific reviews of customer balances taking into account its experience with collection trends in the market, the current economic conditions and also the securities and collaterals obtained from specific customers. The Company regularly reassesses the allowance for doubtful accounts receivable in conjunction with the customer's commercial behaviour taking into consideration reports from its legal department. Estimates are involved of amounts expected to be recovered in the case of defaulted customers taking into account any settlement arrangements, whether the customer is repaying agreed instalments, and expected recoveries from any collaterals held.

3.5 Post-employment benefits

Post-employment benefits are calculated at the discounted present value of future compensation benefits of employees which will have been accrued at year-end based on the assumption that those benefits are accrued equally during the employment period. Post-employment benefits are calculated on the basis of financial and actuarial assumptions that require management to make assumptions about discount rates, salaries increases rates, mortality and disability rates, retirement age and other factors. Due to the long term nature of these projections, these assumptions are subject to considerable uncertainty.

4. Summary of significant accounting policies

The significant accounting policies that have been adopted by the Company for the preparation of Financial Statements are summarized below:

4.1 Intangible assets

Software
The software licenses (internally and externally acquiring) evaluated on the basis of cost less the accumulated amortizations.

The costs associated with 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 lives (five to ten years). In addition, the acquired software is reviewed for impairment annually.

4.2 Property, Plant and Equipment

Fixed assets are reported in the Financial Statements at acquisition cost minus accumulated depreciation and possible impairment. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognized 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. The repair and maintenance cost is recorded in the results when such is incurred.

Land is not depreciated. Depreciation of other of tangible assets is calculated using the straight line method over their useful life as follows:

- Facilities in 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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "Other (losses)/gains – net" in the income statement.

4.3 Impairment of non-financial assets

Assets with an indefinite useful life, e.g. goodwill, are not depreciated, and are subject to impairment testing on an annual basis, and when certain events or changes to the circumstances suggest that their carrying value may not be recoverable. Assets that are depreciated are subject to impairment audit when indications exist that their book value is not recoverable. Impairment loss is recognized for the amount by which the fixed asset's carrying value exceeds its recoverable value. The recoverable value is the higher between fair value, reduced by the cost required for the disposal, and the value in use (current value of cash flows anticipated to be generated based on the management's estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified in the minimum cash generating units. Any non-financial assets, apart from goodwill, which have been impaired are reassessed for possible impairment reversal on each balance sheet date.

4.4 Financial assets

Classification
The Company classifies its financial assets as "Loans and Receivables". The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Loans and receivables
These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets.

Recognition and measurement
The purchase and sales of investments are recorded for on the trade-date, which is the date on which the Company commits to purchase or sell the asset. Investments are initially recognized at their fair value, plus expenses directly related to the transaction. Investments are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Loans and receivables are recognized initially at fair value and are carried subsequently at amortized cost using the effective interest method.

4.5 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 determined at the measurement date in an arm's length transaction motivated by normal business considerations. Valuation techniques include among others the use of recent arm's length transactions, reference to the current fair value of a substantially similar instrument and analysis of discounted cash flow.

4.6 Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

The financial assets that are reviewed for impairment (provided that the relative indications exist) are assets stated at cost and assets measured at amortized cost based on the effective interest rate method (non-current receivables).

For the purposes of impairment testing of the financial assets the recoverable amount is determined based on the present value of future cash flows, discounted using the original asset-specific rate or a rate of a similar financial asset. Any resulting impairment losses are recognized in profit or loss.

Impairment loss of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

Serious problems that the customer encounters, the possibility of bankruptcy or financial reorganization and the inability of scheduled payments considered to be evidence that the receivable value must be impaired. The amount of the provision is the difference between the asset's carrying value and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized as an expense in the income statement.

4.7 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

4.8 Cash and cash equivalent

Cash and cash equivalents include cash in hand and deposits held at call with banks.

It also includes bank deposits and short term highly liquidity investments with an original maturity of three months or less.
For the preparation of the cash flow statement, Cash and cash equivalents comprise cash in hand and bank deposits as defined above.

4.9 Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

Incremental costs directly attributable to the issue of new Company parts are shown after the reduction of the relative income tax, in reduction of equity.

4.10 Trade payables

Trade payables are obligations to make payments for products or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method.

4.11 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax is computed based on the tax legislation established as of the balance sheet date, in accordance with the tax rules in force in Greece. Current income tax expense consists of income taxes for the current year based on entity's profits as adjusted in its tax returns and additional income taxes to cover potential tax assessments which are likely to occur from tax audits by the tax authorities, using the enacted tax rates.
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using the tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred tax liability is settled.
Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

4.12 Employee benefits

a) Post-employment benefits
The employee benefits after their retirement include defined contribution programs and defined benefit programs. A defined contribution scheme is a pension plan under which the Company makes fixed payments to a separate legal entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The regular contributions for defined contribution plans constitute net periodic costs for the year in which they are due and as such are included in staff costs.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability that is reported in the balance sheet with respect to defined benefit schemes is the present value of the liability for the defined benefit on the balance sheet date. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by using the rate of long-term Greek government bonds, however, because of current economic conditions the yield curve of the European Central Bank bonds was used instead of Greek government bonds.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in profit or loss.

b)Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date. The Company recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or

providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Where there is uncertainty about the number of employees who will accept an offer of termination benefits, the Company discloses information about the contingent liability.

4.13 Provisions

Provisions are recognized 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 has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as financial expense. Provisions are reviewed on each date of Financial Statements and if an outflow of funds to settle the obligation is unlikely, they are reversed in the income statement.
When the Company expects the recovery of a compensation to settle a provision, for instance under an insurance contract, the reimbursement is recognized as a separate asset only when it is virtually certain.

4.14 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods or services supplied, stated net of discounts, returns and value added taxes.

The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below. The Company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

a) Interest income
Interest income is recognized on an accrual basis using the effective interest method. When a receivable is impaired, the Company reduced the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

b) Sales of services
Sales of services are recognized in the accounting period in which the services are rendered, by reference to the stage of completion of the specific service.

In the case where the Company acts as an agent, the commission rather than gross revenue is recognized as revenue.

c) Dividends
Dividends are recognized as income when the payment is accrued.

4.15 Leases

a) Company as lessee
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

b) Company as lessor
Revenue from operating leases is recognized in the income statement using the straight-line method during the lease period.

5. Notes on the balance sheet data and the income statement

5.1 Property, plant and equipment

Amounts in €'	Means of transportation	POS Terminals	Furniture and other equipment	Total
Acquisition cost 1/1/2017	15.000	-	8.198	23.198
less: Accumulated deprecation	(203)	-	(2.891)	(3.094)
Net book value 1/1/2017	**14.797**	**-**	**5.307**	**20.104**
Additions	-	-	205.926	205.926
Annual depreciation	(2.400)	-	(20.357)	(22.757)
Acquisition cost 31/12/2017	**15.000**	-	**214.125**	**229.125**
less: Accumulated deprecation	**(2.603)**	-	**(23.248)**	**(25.852)**
Net book value 31/12/2017	**12.397**	**-**	**190.877**	**203.273**
Additions	-	1.142.406	230.133	1.372.539
Annual depreciation	(2.400)	-	(66.834)	(69.234)
Acquisition cost 31/12/2018	**15.000**	1.142.406	**444.257**	**1.601.663**
less: Accumulated deprecation	**(5.003)**	-	**(90.082)**	**(95.085)**
Net book value 31/12/2018	**9.997**	**1.142.406**	**354.176**	**1.506.578**

Depreciation expenses are allocated in the Statement of Comprehensive Income.

The property, plant and equipment are free of pledges/collaterals.

5.2 Intangible Assets

Amounts in €'	Software	Assets under construction	Total
Acquisition cost 1/1/2017	582.035	723.242	1.305.276
less: Accumulated amortization	(194.354)	-	(194.354)
Net book value 1/1/2017	**387.681**	**723.242**	**1.110.923**
Additions	684.521	532.378	1.216.899
Annual amortization	(128.386)	-	(128.386)
Acquisition cost 31/12/2017	**1.266.556**	**1.255.620**	**2.522.175**
less: Accumulated amortization	**(322.740)**	**-**	**(322.740)**
Net book value 31/12/2017	**943.816**	**1.255.620**	**2.199.436**
Additions	229.469	1.556.762	1.786.231
Transfers	1.314.358	(1.314.358)	-
Annual amortization	(356.813)	-	(356.813)
Acquisition cost 31/12/2018	**2.810.383**	**1.498.024**	**4.308.406**
less: Accumulated amortization	**(679.552)**	**-**	**(679.552)**
Net book value 31/12/2018	**2.130.830**	**1.498.024**	**3.628.854**

The Intangible Assets mainly concern computer software used by the Company.

Amortization expenses are allocated in the Statement of Comprehensive Income.

5.3 Deferred tax asset

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

Amounts are expressed in € '	31/12/2018	31/12/2018	31/12/2017	31/12/2017	31/12/2018	31/12/2017
	Receivables	Liabilities	Receivables	Liabilities	Income / (Expense)	Income / (Expense)
Intangible assets	20	-	20	-	-	-
Liabilities for employee compensation due to retirement	59.037	-	32.817	-	21.156	14.813
Impairment of receivables	22.738	-	22.738	-	-	2.438
Difference in tax rate	(9.240)	-	354	-	(9.595)	-
Provision of accrued but non-invoiced commissions	17.077	-	13.632	-	3.444	9.078
Total	**89.631**	**-**	**69.562**	**-**	**15.005**	**26.329**
Deferred tax assets / (liabilities)	**89.631**	**-**	**69.562**	**-**		
Tax to OCI					**5.064**	**(18.847)**
Tax to Comprehensive Income					**20.069**	**7.481**

Current tax liabilities include short-term liabilities payable to the tax authorities related to the above taxes payable (tax on assets for the Company). Management regularly evaluates its position on matters related to the tax authorities and considers provisions where necessary for the amounts expected to be paid to the tax authorities.

Up until 31.12.2018 the tax authorities have not notified for any control order of the Company for the fiscal years 2010, 2011 and 2012. Therefore, the right of the State to disclose audit trails and transactions for the determination of tax, fees, levies and fines for the purpose of charging a tax has been time-barred for the aforementioned, reported uses pursuant to (a) paragraph 1 of article 84 of law 2238/1994 (unaudited income tax cases); b) paragraph 1 of article 57 of Law 2859/2000 (non-audited cases of VAT and c)) of par. 5 of article 9 of Law 2523/1997 (imposition of fines for income tax cases). Management considers that the circumstances limiting the aforementioned laws, which could extend the five-year limitation period to ten years, are not met.

In addition, the Company has been audited by a certified auditor according to Law 4174/2013 article 65A and the POL no. 1124/18.6.2015 decision of the General Secretary of Public Revenue of the Ministry of Finance and has received a tax certificate for the years 2014, 2015, 2016 and 2017. Also, the Tax Authorities have the right to conduct tax audit for the above mentioned years. The Company is expected to receive the tax certificate for the year 2018. For the fiscal year 2013 which remains unaudited by the tax authorities, the Management estimates that the taxes that may arise will not have a material effect on the Financial Statements and has provided accordingly.

For the fiscal year 2017, the rate used for calculating income tax and deferred tax is 29%, namely the rate set by the current law on 31/12/2017. For the current fiscal, deferred taxes were calculated with 25% rate based on the recently applying law 4579/2018 (article 23) on 31/12/2018.

5.4 Other non-current assets

Other non-current assets consist of guarantees provided by the Company and are analyzed as:

Amounts are expressed in € '	31/12/2018	31/12/2017
Guarantees on leased buildings	122.248	122.248
Guarantees on leased means of transport	12.482	7.958
Guarantees on D.E.H(Public Power Company)	3.494	3.494
Card Schemes Guarantees	696.496	500.000
Non-current prepaid expenses	569.780	-
Total	**1.404.499**	**633.700**

Non-current prepaid assets include the scheme fees that the Company paid in order to obtain the license for the transactions clearance.

5.5 Prepayments

This item shows the debit balances of the Company's suppliers:

Amounts are expressed in € '	31/12/2018	31/12/2017
Advances to domestic suppliers	3.714.467	389.759
Advances to foreign suppliers	204.441	-
Total	**3.918.908**	**389.759**

Figure “Advances to domestic suppliers” includes a total amount of € 3.275.496 as prepayment for POS terminal sales in the course of transfer of POS business of the group to Viva Payments.

5.6 Receivables from taxes

The analysis of the item is as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Tax withheld at source on interest income	29.280	30.534
Income Tax Prepayment	401.463	353.252
Total	**430.743**	**383.786**

5.7 Other current receivables

The item “Other current receivables” includes:

Amounts are expressed in € '	31/12/2018	31/12/2017
Other debtors	3.807.054	6.827.994
Advances to Personnel	3.300	-
Receivables from Board members	14.206	14.206
Prepaid Expenses	232.789	633.097
Accrued revenue	11.180	10.476
Total	**4.068.529**	**7.485.773**

Pending transactions amounting to € 3.729.333 are included in Other debtors and relate to transactions which were pending to be cleared as at 31/12/2018.

The fair values is considered to approximate their book value. Additionally, the maximum exposure to credit risk, excluding guarantees and credit enhancement, is considered to approximate their book value.

5.8 Cash and cash equivalents

The Company's Cash and cash equivalents are analysed as shown in the table below:

Amounts are expressed in € '	31/12/2018	31/12/2017
Bank deposits	40.968.580	20.983.731
Total	**40.968.580**	**20.983.731**

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year and include both own cash and cash on behalf of clients.

These amounts refer to deposits with well-known and certificated domestic and foreign financial institutions.

5.9 Share Capital

The share capital of the Company as at December, 31, 2018 was € 7.000.000 (December, 31, 2017 - € 2.000.000) and consists of 70.000 (December, 31, 2017 – 20.000) ordinary shares with a nominal value of € 100 per share. All issued shares have been fully paid, provide the same rights to receive dividends and to the repayment of the capital and represent one vote at the General Shareholders' Meeting of the Company.

Amounts are expressed in € '	31/12/2018 Number of shares	31/12/2018 Nominal value	31/12/2017 Number of shares	31/12/2017 Nominal value
Number of approved shares				
Ordinary shares	70.000,00	100,00 €	20.000,00	100,00 €
Preferred shares				
Fully paid shares				
Ordinary shares	70.000,00	100,00 €	20.000,00	100,00 €
Preferred shares				

On June 20, 2018, the Extraordinary General Meeting of the Shareholders decided the issue of 50.000 ordinary shares with a nominal value of € 100 per share.

5.10 Reserves

The Company's item «Reserves» is analyzed below:

Amounts are expressed in € '	Legal reserve	Total
Balance as at 31/12/2017	**31.116**	**31.116**
New reserves	51.551	51.551
Balance as at 31/12/2018	**82.667**	**82.667**

According to Codified Law 2190/1920 5% of profits after tax must be transferred to a legal reserve until this amount to 1/3 of the Company's share capital. This reserve cannot be distributed but may be used to offset losses.

5.11 Retained earnings

The retained earnings arise from past years' retained earnings reduced by the reserves formed. The movement of the item in 2018 is shown in detail in the Statement of Changes in Equity.

5.12 Provision for personnel compensation

Employee compensation liabilities are determined through an actuarial study carried out by a certified actuary.

Actuarial assumptions 01/01/2018-31/12/2018	
Technical interest rate	1.50%
Salary future increase	0.50%
Inflation rate	1.80%
Net rate of retirement	0.00%

On 31/12/2018, the Company had 142 employees. On 31/12/2017 the Company had 142 employees. The amount of the liability recognized in the Company's Financial Statements is:

Amounts are expressed in € '	31/12/2018	31/12/2017
Obligations for defined benefit plans	219.231	114.352
Net liability recognized in the Statement of Financial Position	**219.231**	**114.352**

In accordance with the revised IAS 19 (paragraph 63), the liability for benefits to employees recognized in the balance sheet is equal to the actuarial liability at the date of calculation.
Also, in accordance with the revised IAS 19 (paragraph 141), the liability for employee benefits recognized in the year-end balance sheet is equal to the opening balance sheet liability after the effect of the following:

- Service cost
- Interest cost
- Contribution of employees and employers
- Benefit paid
- Gain and losses from reductions
- Changes to actuarial liability or to the assets of the program
- Changes in exchange rate for calculation of plan assets in case of using different currency from that than this of the country's in which the subject Company is located etc.

In accordance with the revised IAS 19 in the Statement of Comprehensive Income (OCI), the actuarial gains / (losses) arising in each fiscal year are recognized in full. The amount recognized in Equity (OCI) amounts to loss € 20.257 for 2018 compared to gain € (64.991) for the year 2017.

Accounting Illustrations
On June 16, 2011, the International Accounting Standards Board (IASB) amended the IAS 19.
The revised IAS 19 R is effective for fiscal periods beginning on or after 1 January 2013. Therefore, for the fiscal year 2017, the accounting was prepared in accordance with the IAS 19 R.

Amounts are expressed in € '	31/12/2018	31/12/2017
Opening balance of defined benefit plans	114.352	128.265
Current service cost	87.508	49.154
Interest cost	1.715	1.924
Past service cost	60.754	-
Actuarial (gain) / loss	20.257	(64.991)
Employer's paid benefit	(65.355)	-
Liability in Statement of Financial Position	**219.231**	**114.352**

5.13 Other provisions

The Company's item "Other Provisions" is analyzed as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Provision for unaudited fiscal years	1.456	1.891
Provision for disputed transactions (chargebacks)	333.284	150.000
Total	**334.740**	**151.891**

This year the Company has proceeded with the reversal of the amount € 434,46 for non-audited fiscal year due to the fact that the right of the State to disclose audit trails and transactions for the determination of tax, fees, levies and fines for the purpose of charging a tax has been time-barred.

The Company proceed with a formation of new provision for disputes of € 183.284 due to possible disputed transactions.

5.14 Trade and other payables

The item Trade and other payables is analysed as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Local suppliers	937.616	460.087
Foreign suppliers	29.297	203.802
Total	**966.913**	**663.889**

Trade and other payables mainly comprise amounts outstanding for trade purchases and operating expenses.

The total of the above liabilities is considered to be of short-term maturities.

The fair value of these short-term financial liabilities is assumed to approximate their carrying amount.

Liabilities to suppliers are not interest-bearing accounts and the average credit period received for purchases, is 30 days from invoicing day unless agreed otherwise, in contracts or private agreements.

5.15 Liabilities from taxes

The Company's current liabilities from taxes are analysed as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
VAT liabilities	16.769	2.728
Payroll income tax withholdings	258.503	213.709
Tax liabilities on EU fees	1.093	155
Tax liabilities due to municipal fee 2%	51.080	69
Income tax clearance	1.101.511	429.920
Total	**1.428.956**	**646.581**

5.16 Other short term liabilities

The “Other short-term liabilities” account for the Company is analysed as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Pending transactions	1.340.437	649.197
Employee compensation & expenses	270.845	216.288
Social security	254.052	241.155
Other short term liabilities	40.190.650	27.307.051
Accrued expenses of the year (payable)	375.465	80.803
Total	**42.431.449**	**28.494.494**

5.17 Revenues

The Company's revenues is analysed as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Acquiring Services	16.807.746	11.715.122
Issuing Services	451.659	124.723
Payment Accounts Services	1.631.774	1.324.277
Total	**18.891.178**	**13.164.122**

5.18 Expenses

The total of the Company's expenses is analysed as follows:

Interchange and scheme fees

Amounts are expressed in € '	31/12/2018	31/12/2017
Interchange and scheme fees	6.074.920	4.713.106
Settlement and clearing mechanism fees	306.534	279.650
Agent commission fees	423.609	390.377
Total	**6.805.063**	**5.383.133**

Other cost of sales

Amounts are expressed in € '	31/12/2018	31/12/2017
Hosting	458.185	447.047
Provision for disputed transactions (chargebacks)	183.284	158.408
Other cost of sales	11.033	48.965
Total	**652.501**	**654.420**

The expenses recognized for employee benefits are analysed as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Salaries, Wages & benefits	4.153.978	3.873.828
Contributions to Social security	926.504	860.049
Retirement and severance payments	65.355	53.305
Other personnel benefits and expenses	90.970	1.450
Current service cost	82.907	49.154
Total	**5.319.714**	**4.837.786**

The Company's number of employees for the time periods presented are as follows:

No of employees	31/12/2018	31/12/2017
Salary - paid employees	142	142
Total	**142**	**142**

General, Selling and Administrative expenses

Amounts are expressed in € '	31/12/2018	31/12/2017
Administrative expenses	233.589	182.878
Customer service fees	258.448	-
Facility Management	549.492	547.742
Infrastructure	205.629	143.729
International Expansion	425.316	178.346
Promotion and Marketing	128.583	29.040
Other operating costs	47.789	136
Total	**1.848.846**	**1.081.871**

5.19 Financial expenses - income

The analysis of the financial expenses of the Company is as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Actuarial interest and expense	1.715	1.924
Other bank expenses	113.398	52.043
Total	**115.113**	**53.967**

The analysis of the financial income of the Company is as follows:

Amounts are expressed in € '	31/12/2018	31/12/2017
Interest from deposits with banks	206.801	203.562
Total	**206.801**	**203.562**

5.20 Income Tax

Amounts are expressed in € '	31/12/2018	31/12/2017
Current tax		
Tax for the year	(1.103.588)	(431.997)
Total current tax	**(1.103.588)**	**(431.997)**
Deferred tax		
Deferred tax from temporary differences	20.069	7.481
Total deferred tax	**20.069**	**7.481**
Total tax	**(1.083.519)**	**(424.516)**
Applied tax rate	29%	29%
Profit before tax	3.930.696	1.211.356
Tax based on applied tax rate (1)	**(1.139.902)**	**(351.293)**
Tax amounts to		
Non - deductible expenses	(18.238)	(54.375)
Other differences	74.621	(18.847)
Total (2)	**56.383**	**(73.222)**
Total (1) + (2)	**(1.083.519)**	**(424.516)**

Audit Tax Certificate:

For the fiscal years 2014, 2015, 2016 and 2017 the Company has been audited for its tax liabilities by the legally appointed auditor and has obtained the “Tax Compliance Report”, out of which no additional tax liabilities arose regarding tax expense, according to the relevant laws and regimes.

The tax audit for the financial year 2018 is still in progress by the statutory auditors “Mazars S.A.” and the relevant tax compliance report is expected to be issued after the publication of the annual Financial Statements of year 2018. The Company’s Management does not expect that significant additional tax liabilities will arise, in excess of these recorded disclosed in the Financial Statements.

5.21 Profit/(Loss) per share

The basic Profit/(Loss) per share are calculated by dividing the profit or loss for the fiscal year, minus any dividends, by the weighted average number of ordinary shares during the period.

Amounts are expressed in € '	31/12/2018	31/12/2017
Profit/(Loss) after tax	2.842.113	805.687
Weighted number of shares	46.521	20.000
Basic Profit/(Loss) per share (cents /share)	**61,09**	**40,28**

The weighted number of shares is as follows:

	31/12/2018	31/12/2017
Balance of shares at 1/1	20.000	20.000
Balance of shares at 31/12	70.000	20.000
Weighted number of shares	**46.521**	**20.000**

5.22 Dividends

The Board of Directors proposes to the Annual General Meeting of Shareholders to distribute dividend from the net (after tax) profits of 2018 of € 2.500.000,00.

6. Contingent assets and liabilities

a) There are no outstanding legal cases against the Company, which are expected to flourish and to compel the Company to compensation.

b) The tax audit for the financial year 2018 is still in progress by the statutory auditors «Mazars S.A.». Upon completion of the tax audit, the Company's Management does not expect that significant additional tax liabilities will arise, in excess of these recorded and disclosed in the Financial Statements.

c) The Company has contingent liabilities in respect of banks, other guarantees and other matters arising in the ordinary course of business, from which it is not anticipated that any material liabilities will arise.No material charges are expected to be arised from contingent liabilities. No additional payments are expected after the date of preparation of these Financial Statements. Against credit guarantees issued by credit institutions, tangible collaterals have not been granted.

7. Related Party 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.

Transactions and Balances with related party

Transactions in the years 2018 and 2017 and the balances at 31/12/2018 and 31/12/2017 with related parties within the meaning of IAS 24 are as follows:

Amounts are expressed in € '		
Debit Balance	**31/12/2018**	**31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	3.116.426	273.472
VIVA WALLET SA (Parent Company)	122.248	519.182
Board members	17.506	14.206
Total	**3.256.180**	**806.859**

Amounts are expressed in € '		
Credit Balance	**31/12/2018**	**31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	-	109.058
VIVA WALLET SA (Parent Company)	2.368.853	366.744
VIVA WALLET LTD (Group Subsidiary)	5.736	-
Board members	143.807	1.708
Total	**2.518.396**	**477.509**

Amounts are expressed in € '		
Sales	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	386.962	385.025
Total	**386.962**	**385.025**

Amounts are expressed in € '		
Purchases	**1/1 - 31/12/2018**	**1/1 - 31/12/2017**
VIVA SERVICES S.A (Group Subsidiary)	394.450	-
VIVA WALLET SA (Parent Company)	354.000	354.000
Board members	1.641.959	1.015.915
Total	**2.390.409**	**1.369.915**

Transactions between the Company and its subsidiaries have been eliminated on consolidation

No provision has been made for doubtful debts in respect of the amounts due from related parties

8. Capital Management policies and procedures

The Company manages its capital to ensure that will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company monitors the capital using the Gearing ratio of net total liabilities to equity. The net debt includes interest-bearing borrowings less cash and cash equivalents.

The Board of Directors monitors the capital structure on a frequent basis and takes into account the associated cost of capital and risks in order to determine the follow up strategy.

Amounts are expressed in € '	31/12/2018	31/12/2017
Total net liabilities	**4.412.710**	**9.087.476**
Equity attributable to company's shareholders	10.635.032	2.808.112
Total	**0,41**	**3,24**

9. Risk management policies

The Company's activities create a variety of financial risks, including foreign exchange risks and interest rate, credit and liquidity risks. The overall risk management program of Company's movements focuses in financial markets fluctuations and intends 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, which use the Company, mainly consisted of deposits in banks, bank's accounts, accounts receivables and payables and long term borrowings.

9.1 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.

9.2 Interest rate risk

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

9.3 Credit risk

The Company has no significant credit risk. Any remaining credit risk relates to cases of customers' failure to fulfill their transactional obligations.

The transactions of the Company's customers are developed after their credit rating and reliability check, to avoid late payment problems and therefore bad debts.

Potential credit risk may 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 are expressed in € '	31/12/2018	31/12/2017
Other non-current assets	1.404.499	633.700
Customers and other trade receivables	-	530.299
Advances to suppliers	3.918.908	389.759
Other current receivables	4.068.529	7.485.773
Cash and cash equivalents	40.968.580	20.983.731
Total	**50.360.516**	**30.023.262**

9.4 Liquidity risk

The prudent liquidity management is achieved by the existence of an appropriate combination of cash and bank credit.

The Company manages the risks which may arise from lack of sufficient liquidity, by ensuring that there are always secured bank credits to use.

The following table summarizes the maturity dates of the financial liabilities of the Company, which are presented in the balance sheet, at discounted prices, based on payments resulting from the relevant loan agreements or the agreements with the suppliers.

Financial liabilities as at 31/12/2018	up to 1 year	1 year to 5 years	Over 5 years	Total
Suppliers and other trade liabilities	966.913	-	-	966.913
Other short term liabilities	43.860.405	-	-	43.860.405
Loans	0	-	-	0
Total	**44.827.318**	**-**	**-**	**44.827.318**

Financial liabilities as at 31/12/2017	up to 1 year	1 year to 5 years	Over 5 years	Total
Suppliers and other trade liabilities	663.889	-	-	663.889
Other short term liabilities	29.141.075	-	-	29.141.075
Total	**29.804.964**	**-**	**-**	**29.804.964**

10. Events after the reporting period

No significant subsequent events occur after December 31, 2018 which should either be disclosed or differentiate the items of the published Financial Statements.

Marousi, 08/03/2019

The President.& Chief Executive Officer	The Vice President	The Accountant
Haralampos Karonis ID AM 207833	Ioannis Larios ID AH 118023	Dimitrios Kontoullis ID AB597533 A.M.A 100209 A CLASS

The above Notes to the Financial Statements (pages 18 - 42) are those mentioned in the auditor's report dates at 08/03/2019.

Palaio Faliro, 08/03/2019
The Certified Auditor

MAZARS Certified Public Accountants
Business Advisors SA
14, Amfitheas Ave. -175 64 Palaio Faliro
ELTE Reg No: 17

Konstantinos Makris
ELTE Reg No.: 1483