# TORA WALLET S.A.

Member of opap Group

FINANCIAL REPORT
For The Financial Year from 01.09.2016 to 31.12.2016
ACCORDING TO THE INTERNATIONAL
FINANCIAL REPORTING STANDARDS

June 2017

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## A. The Members of the Board of Directors

The Members of the Board of Directors for TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES:

- Houst Michal, Chairman of the Board of Directors,
- Constantinos Frydakis, Member of the Board of Directors and CEO,
- Rene Langen, Member of the Board of Directors,

Certify and declare, as far as we know, that:

a) The financial statements for TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES for the financial year from 1st of September 2016 to 31st of December 2016 which were prepared in accordance with the IFRS, truthfully represent the Issuer's assets, liabilities, equity and income.

b) The Board of Directors' report reflects the Company's true evolution, performance and position as well as the undertakings included in the consolidation taken as a whole, including the description of the principal risks and uncertainties that arose.

**Athens, 9 June 2017**

| Chairman of the BoD | Member of the BoD & CEO | A Member of the BoD |
|---|---|---|
| **Michal Houst** | **Constantinos Frydakis** | **Rene Langen** |

## B. Board of Directors' Report

Under the provisions of Law 2190/1920, Article 43a and the Company's Articles of Association, we submit for the financial year from 01.09.2016 until 31.12.2016 the Annual Report of the Board, which includes the audited corporate financial statements, notes pertaining to the financial statements and the statutory auditors' audit report. The present report includes information pertaining to the Company TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES («TORA WALLET S.A.». or the «Company»),. including financial information aimed at providing general information to shareholders and investors about the financial position and results, the overall progress and changes made during the financial period, closing (01.09.2016 - 31.12.2016), significant events that occurred and their impact on the financial statements for that period. A description of principal risks and uncertainties that the Company is expected to face in the future as well as the most important transactions which occurred between the issuer and related parties are also mentioned.

# 1. GENERAL INFORMATION

The Company TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES («TORA WALLET S.A». or the «Company»), was established on 01.09.2016 and is based in Athens, Athinon Avenue 108 and Chrimatistiriou Str..

The purpose of the Company is to provide for its own account the services of an electronic money institution, as defined from the applicable law. The purpose of the company includes any project, service and facility which is allowed to be provided by an electronic money institution.

Within 2016, the Company applied a petition to the Bank of Greece for obtaining the electronic money institution license.

Up to the date these Financial Statements were published, the process of granting the license in not completed, thus the Company has not yet started its commercial activity.

The Company was set up with share capital of €2,900,000 and is owned by 100% by OPAP INVESTMENT LIMITED, 100% subsidiary of OPAP S.A.

**Other Information**

Legal Form: Société Anonyme

General Electronic Commercial Registry No: 139861001000

Athens Chamber of Commerce and Industry

VAT No.: 800759225

Auditors: KPMG Certified Auditors A.E. (AM SOEL 114), Nikolaos Vouniseas Certified Auditor Accountant (AM SOEL 18701).

## 2. FINANCIAL PROGRESS AND PERFORMANCES OF FINANCIAL YEAR

For 2016 economic figures are as follows:

| **Amounts in euro** | **01.09-31.12.2016** |
|---|---|
| Revenues from services | - |
| **EBITDA** | **(234,415)** |
| Loss before taxes | (252,029) |
| **Loss after taxes** | **(223,681)** |
| Other operating income | 1,227 |
| Depreciation | 18,841 |
| Operating expenses | (253,256) |
| **Net increase/(decrease) in cash and cash equivalents** | **(139,248)** |
| Cash in flows from operating activites | 26,488 |
| Cash out flows from investing activites | (162,826) |
| Cash out flows from financing activites | (2,910) |

Standard Financial Ratios are as follows:

| | **01.09-31.12.2016** |
|---|---|
| **1.General liquidity ratio** | |
| Current Assets / Current Liabilities | 10.85 |
| **2. Working Capital** | |
| Current Assets less Current Liabilities | 2,508,977 |
| **3. Return on Equity (%)** | |
| Net profit/(loss) before taxes / Equity | (9.45%) |

Net results per share are as follows:

| **Amounts in euro** | **31.12.2015** |
|---|---|
| Net profit/ (loss) attributable to the shareholders | (223,681) |
| Weighted average number of ordinary shares | 2,900,000 |
| Basic profit/(loss) per share (in €) | (0.08) |

## 3. SIGNIFICANT EVENTS DURING FINANCIAL YEAR 2016 AND THEIR EFFECT ON THE FINANCIAL STATEMENTS

There are no significant events with impact on the Financial Statements of 2016.

## 4. DESCRIPTION OF MAIN RISKS AND UNCERTAINTIES

**Risk from the impact of adverse financial circumstances on the Greek economy**

On a macroeconomic level, the realization of the Third Economic Adjustment Programme of the Greek economy continues to be subject to a series of conditions, while its implementation does not guarantee the Greek economy's expected return to an established course of sustainable growth, something that may lead to negative effects for the Company's business activities, operational results and financial status.

The Company's activity is significantly affected by decreased consumer spending, which in turn is affected by the current economic conditions in Greece, such as the unemployment rate, interest rates, inflation rate, tax rate and the increase in GDP rate. Moreover, the economic recession, financial uncertainty and a number of the Company's customers potential interpretation that the economic conditions are deteriorating, could result in a decrease of the usage of the services that the Company will offer to the public.

The return to economic stability depends greatly on the actions and decisions of the institutions both in the country and abroad, as well as from the assessment of the Greek economy from international creditors in the context of the third program.

Any further negative development in the economy would affect the normal operations. However, Management is continually adjusted to the situation and ensures that all necessary actions are taken, to maintain undisturbed activities.

**Market risk**

Market risk arises from the possibility that changes in market prices such as exchange rates and interest rates affect the results of the Company or the value of financial instruments held. The management of market risk consists of the effort of the Company to control its exposure to acceptable limits.

The following describe in more detail the specific risks that make the market risk and their management policies by the Company:

- **Currency risk**

The Company faces no exchange rate risk as all its transactions are in Euro.

- **Capital management**

The objectives of the Company regarding capital management are to safeguard the Company's ability to remain a going concern in order to produce profits for shareholders and benefits for other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends distributed to shareholders, return capital to shareholders or issue new shares.

**Credit risk**

The credit risk arising deposits of cash deposits, it should be noted that the Company collaborates only with financial institutions with a high credit rating.

**Liquidity risk**

Share capital of the Company, all paid up in cash, ensures liquidity and preserves the risk on low levels.

**Cash flows risk and fair value change risk due to interest changes**

The Company is not exposed to interest rate risk as it is not a party to loan contracts.

## 5. SIGNIFICANT TRANSACTIONS OF THE COMPANY WITH RELATED PARTIES

Significant transactions with related parties as defined by IAS 24 are presented below:

**Company's transactions with related companies**

| Company's transactions with related parties | Expenses | Purchases of intangible assets | Payables |
|---|---|---|---|
| OPAP S.A | 2,792 | - | 6,942 |
| Tora Direct A.E | - | - | 2,165 |
| OPAP INVESTMENT Ltd. | - | - | 1,996 |
| Neurosoft S.A | 8,637 | 76,359 | 24,175 |
| **Total** | **11,429** | **76,359** | **35,277** |

**Transaction and balances with members of the BoD and key management personnel**

| Category | Description | 01.09.2016-31.12.2016 |
|---|---|---|
| Key management personnel | Salaries | 43,923 |
| | Other compensations and benefits | 64,103 |
| | Cost of social insurance | 9,511 |
| **Σύνολο** | | **117,538** |

Balance of receivables and payables with key management personnel at the reporting date are the following:

| Liabilities from compensation & remuneration | 31.12.2016 |
|---|---|
| Key Management Personnel | 76,758 |
| **Total** | **76,758** |

## 6. DIVIDENDS POLICY – PROFIT DISTRIBUTION

The Company has no profits to distribute.

| | 2016 |
|---|---|
| Net profit/(loss) | (223,681) |
| Retained earnings | - |
| Profit available for distribution | - |

## 7. STRATEGY - PERSPECTIVES FOR 2017

The Company expects to be licensed by the Bank of Greece as an Electronic Money Institution (EMI) within 2017 in order to operate in all the services that the institutional framework allows. The competitive advantage of the company is the wide network of OPAP agencies that will be certified as representatives of the Institution, being actually points of physical service to the customers of EMI which will provide services through both physical presence points and also fully electronically.

Another competitive advantage is the human resources of the company, which has long experience in the area of payments, customer service and financial services in general, as well as its applications development team, which implements the company's strategy through the most modern development methodologies web & mobile applications.

The Company's prospects are strong providing its strategic cooperation with large banking institutions in the Greek market and the simultaneous shrinking of natural banking networks, which shows the areas of future cooperation of EMI with the banks.

## 8. SUBSEQUENT EVENTS

No other events occurred from the date of the balance sheet until the submission of this report, suggesting the need for adjustments of the elements of assets and liabilities of the published balance sheet or requiring their disclosure to the financial statements of the fiscal year.

# C. ANNUAL FINANCIAL STATEMENTS

The attached financial statements were approved by the Board of Directors of TORA WALLET SOCIETE ANONYME on 09.06.2017 and have also been posted on the Company's website, www.torawallet.gr.

It is noted that the attached published financial information arise from the financial statements which aim to provide the reader with general information concerning the Company's financial status and its results. They do not however, provide a comprehensive view of the Company's financial position, results of financial performance and cash flows in accordance with the International Financial reporting Standards (IFRS).

**Independent Auditor's Report**
**(Translated from the original in Greek)**

To the Shareholders of
TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES

## Audit Report on the Financial Statements

We have audited the accompanying Financial Statements of TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES (the "Company") which comprise the Financial Position as of 31 December 2016 and Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as incorporated in Greek Law. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES as of 31 December 2016 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

## Report on Other Legal and Regulatory Requirements

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

(a) In our opinion, the Board of Directors' report has been prepared in accordance with the applicable legal requirements of article 43a of C.L. 2190/1920 and its contents correspond with the accompanying Financial Statements for the year ended 31 December 2016.

(b) Based on the knowledge acquired during our audit, relating to TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES and its environment, we have not identified material misstatements in the Board of Directors' Report.

Athens, 9 June 2017

KPMG Certified Auditors AE
AM SOEL 114

Nikolaos Vouniseas, Certified Auditor Accountant
AM SOEL 18701

# 1. Statement of Financial Position

At 31.12.2016 and for the financial year ended that date.
(Amounts in Euros)

| | Notes | 31.12.2016 |
|---|---|---|
| **ASSETS** | | |
| **Non - current assets** | | |
| Intangible assets | E1 | 145,262 |
| Tangible assets | E2 | - |
| Other non - current assets | E3 | 3,727 |
| Deferred tax asset | E4 | 30,609 |
| **Total non - current assets** | | **179,598** |
| **Current assets** | | |
| Cash and cash equivalents | E5 | 2,760,752 |
| Trade receivables | E6 | 2,926 |
| **Total current assets** | | **2,763,678** |
| **TOTAL ASSETS** | | **2,943,276** |
| **EQUITY & LIABILITIES** | | |
| **Equity** | | |
| Share capital | E7 | 2,900,000 |
| Retained earnings | | (232,124) |
| **Total equity** | | **2,667,876** |
| **Long - term liabilities** | | |
| Employee benefit plans | E8 | 20,700 |
| **Total long - term liabilities** | | **20,700** |
| **Short - term liabilities** | | |
| Trade payables | E9 | 254,701 |
| **Total short - term liabilities** | | **254,701** |
| **Total Liabilities** | | **275,401** |
| **TOTAL EQUITY & LIABILITIES** | | **2,943,276** |

Attached notes on pages 19 to 44 are an integral part of the Annual Financial Statements.

## 2. Statement of comprehensive Income

At 31.12.2016 and for the financial year ended that date.
(Amounts in Euros)

| | Note | 01.09-31.12.2016 |
|---|---|---|
| **Revenues from services** | | **-** |
| Cost of services | E10 | - |
| **Gross profit** | | **-** |
| Distribution expenses | E10 | - |
| Administration expenses | E10 | (253,256) |
| **Operating results** | | **(253,256)** |
| Finance income | E12 | 1,277 |
| Finance expense | E12 | (50) |
| **Net finance income/ (expenses)** | | **1,227** |
| **Loss before taxes** | | **(252,029)** |
| Income tax expenses | E4 | 28,349 |
| **Loss for the year** | | **(223,681)** |
| **Other Comprehensive Income** | | |
| **items that will not be reclassified to profit or loss** | | |
| Actuarial loss before taxes | E8 | (7,793) |
| Deferred tax | E4 | 2,260 |
| **Other total income after tax** | | **(5,533)** |
| **Total loss after tax** | | **(229,214)** |

Attached notes on pages 19 to 44 are an integral part of the Annual Financial Statements.

## 3. Statement of Changes in Equity

At 31.12.2016 and for the financial year ended that date.

(Amounts in Euros)

| | Share capital | Retained Earnings | Total Equity |
|---|---|---|---|
| **Balance as of 1September 2016** | - | - | - |
| Loss | | (223,681) | **(223,681)** |
| Other Comprehensive income | | (5,533) | **(5,533)** |
| **Total Comprehensive Income** | | **(229,214)** | **(229,214)** |
| Share capital increase | 2,900,000 | | **2,900,000** |
| Share capital increase related expenses | | (2,910) | **(2,910)** |
| **Balance as of 31 December 2016** | **2,900,000** | **(232,124)** | **2,667,876** |

Attached notes on pages 19 to 44 are an integral part of the Annual Financial Statements.

## 4. Cash Flow Statement

At 31.12.2016 and for the financial year ended that date.

(Amounts in Euros)

| | Notes | 01.09-31.12.2016 |
|---|---|---|
| **OPERATING ACTIVITIES** | | |
| Loss before tax | | (252,029) |
| **Adjustments for:** | | |
| Depreciation & Amortization | E1 & E2 | 18,841 |
| Financial (income) /expenses, net | | (1,227) |
| Employee benefit plans | E8 | 12,906 |
| **Total** | | **(221,509)** |
| **Changes in Working capital** | | |
| (Increase) / decrease in receivables | | (6,654) |
| Increase / (decrease) in payables (except banks) | | 254,701 |
| Increase / (decrease) in taxes payable | | - |
| **Total** | | **26,538** |
| Interest expenses paid | E12 | (50) |
| **Cash inflows from operating activities** | | **26,488** |
| **INVESTING ACTIVITIES** | | |
| Purchase of intangible assets | E1 | (152,134) |
| Purchase of tangible assets | E2 | (11,969) |
| Interest received | E12 | 1,277 |
| **Cash outflows from investing activities** | | **(162,826)** |
| **FINANCING ACTIVITIES** | | |
| Taxes related to share capital | | (2,910) |
| **Cash outflows from financing activities** | | **(2,910)** |
| **Net increase / (decrease) in cash and cash equivalents** | | **(139,248)** |
| Cash and cash equivalents at the beginning of the year | E5 | 2,900,000 |
| **Cash and cash equivalents at the end of the year** | **E5** | **2,760,752** |

Attached notes on pages 19 to 44 are an integral part of the Annual Financial Statements.

# D. INFORMATION FOR THE COMPANY

## 1. General Information

The Company TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES («TORA WALLET S.A». or the «Company»), was established on 01.09.2016 and is based in Athens, Athinon Avenue 108 and Chrimatistiriou Str..

The purpose of the Company is to provide for its own account the services of an electronic money institution, as defined from the applicable law. The purpose of the company includes any project, service and facility which is allowed to be provided by an electronic money institution.

Within 2016, the Company applied a petition to the Bank of Greece for obtaining the electronic money institution license.

Up to the date these Financial Statements were published, the process of granting the license in not completed, thus the Company has not yet started its commercial activity.

The Company was set up with share capital of €2,900,000 and is owned by 100% t0 OPAP INVESTMENT LIMITED, 100% subsidiary of OPAP S.A.

## 2. Nature of Operations – Overview

The purpose of the Company is, for each own use, conduction of the total amount of services and activities which are allowed as per the applied legal framework for Electronic Money Institutions. The purpose of the Company includes all projects, services and activities which are allowed to be conducted by an electronic money institution.

Issuance of electronic money for conducting payments towards third parties is exclusively part of the purposes of the Company.

## 3. Basis of preparation

The Financial Statements of TORA WALLET, have been prepared in accordance with International Financial Reporting Standards (IFRS) as developed and published by the International Accounting Standards Board (IASB).

TORA WALLET S.A.'s Financial Statements as of 31.12.2016 which cover the period from 01.09.2016 to 31.12.2016 have been prepared in accordance with the International Financial Reporting Standards (IFRS). The Financial Statements have been prepared under the historical cost and going concern conventions.

These Financial Statements are presented in Euros, unless otherwise explicitly indicated.

The preparation of the Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires that the Company's Management exercise its judgment in the process of applying the appropriate accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed at 3.2 and 3.3..

### 3.1. New standards, amendments of standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. There is no effect in the financial results of the Company under these new standards, amendments to standards and interpretations that are listed below.

## Standards and Interpretations effective for the current financial period

### *Amendment to International Financial Reporting Standard 11 "Joint Arrangements*

On 6.5.2014 the International Accounting Standards Board issued an amendment to IFRS 11 with which it is clarified that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business (as defined in IFRS 3), it shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in IFRS 11. In addition, it shall disclose the information required by IFRS 3 and other related standards. This applies both when acquiring the initial interest in the joint operation that constitutes a business and when acquiring an additional interest.

The adoption of the above amendment had no impact to the financial statements of the Company.

### *Amendment to International Accounting Standard 1*

On 18.12.2014 the International Accounting Standards Board issued an amendment to IAS 1 in the context of the project it has undertaken to analyze the possibilities for improving the disclosures in IFRS financial reporting. The main amendments are summarized below:

• the restriction to disclose only a summary of significant accounting policies is removed;

• it is clarified that even when other standards require specific disclosures as minimum requirements, an entity may not provide them if this is considered immaterial. In addition, in case the disclosures required by the IFRS are insufficient to enable users to understand the impact of particular transactions, the entity shall consider whether to provide additional disclosures;

• it is clarified that the line items that IFRS require to be presented in the statement of financial position and the statement of profit or loss and other comprehensive income are not restrictive and that the entity may present additional line items, headings and subtotals;

• it is clarified that the standard does not specify the presentation order of the notes and that each entity shall determine a systematic manner of presentation taking into account the understandability and comparability of its financial statements.

The adoption of the above amendments had no impact to the financial statements of the Company.

***Amendment to International Accounting Standards 16 and 38 "Clarification of the permissible depreciation and amortization methods"***

On 12.5.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 38 with which it expressly prohibits the use of revenue as a basis for the depreciation and amortization method of property, plant and equipment and intangible assets respectively. An exception is provided only for intangible assets and only when the following conditions are met:

• when the intangible asset is expressed as a measure of revenue, i.e. when the right over the use of the intangible asset is expressed as a function of revenue to be generated in such a way that the generation of a specific amount of revenue determines the end of the use of the right, or

• when it can be demonstrated that the revenue and the consumption of the economic benefits are highly correlated.

The adoption of the above amendment had no impact to the financial statements of the Company.

***Amendment to International Accounting Standard 27 "Separate Financial Statements"***

On 12.8.2014 the International Accounting Standards Board issued an amendment to IAS 27 with which it provides the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. In addition, with the above amendment it is clarified that the financial statements of an investor that does not have investments in subsidiaries but has investments in associates or joint ventures, which under IAS 28 are accounted for with the equity method, do not constitute separate financial statements.

The adoption of the above amendment had no impact to the financial statements of the Company.

***Amendment to International Accounting Standard 16 "Property, Plant and Equipment" and to International Accounting Standard 41 "Agriculture": Bearer Plants***

On 30.6.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 41 with which it clarified that bearer plants, are the ones that:

a) are used in the production or supply of agricultural produce;

b) are expected to produce products  for more than one period; and

c) have remote likelihood of being sold as agricultural produce, except for incidental scrap sales,

shall be accounted for based on IAS 16 instead of IAS 41.

The amendment above is not applicable to the Company's activities.

***Improvements to International Accounting Standards: cycle 2012-2014***

As part of the annual improvements project, the International Accounting Standards Board issued, on 25.09.2014, non- urgent but necessary amendments to various standards.

The adoption of the above amendments had no impact to the financial statements of the Company.

***International Financial Reporting Standard 14 "Regulatory deferral accounts"***

The new standard addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognize regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate regulated entities would recognize as expense.

The standard above had no effect at the financial statements of the Company.

**Standards and Interpretations effective for subsequent periods**

***International Financial Reporting Standard 9 "Financial Instruments" and subsequent amendments at IFRS 7 (Effective for annual periods beginning on or after 1.1.2018)***

IFRS 9 replaces the provisions of IAS 39 relating to classification and measurement of financial assets and financial liabilities and also includes an expected credit loss model which replaces the model on realized credit losses that is applied today. It also introduces an approach for hedge accounting based on principles and addresses inconsistencies and weaknesses in the current model of IAS 39.

Pursuant to the provisions of the new standard, financial instruments are classified and measured based on the context of the business model in which they are held and the characteristics of contractual cash flows.

The adoption of this standard is not expected to have an effect at the financial statements of the Company. This standard has been adopted by the European Union.

***International Financial Reporting Standard 15 "Revenue from Contracts with Customers" (Effective for annual periods beginning on or after 1.1.2018)***

The purpose of the standard is to provide a single, comprehensible revenue recognition model to all contracts with customers in order to improve comparability between companies in the same industry, different sectors and different markets. It contains the principles to be applied by an entity to determine the amount of revenues and the timing of their recognition. The basic principle is that an entity would recognize revenue in a way that depicts the transfer of goods or services to customers at the amount that it expects to be entitled in exchange for these goods or services.

The Company is evaluating the impact of adoption of IFRS 15 on its financial statements. This standard has been adopted by the European Union.

***Amendment to International Financial Reporting Standard 2 "Share-based Payment": Classification and Measurement of Share-based Payment Transactions (Effective for annual periods beginning on or after 1.1.2018)***

On 20.6.2016 the International Accounting Standards Board issued an amendment to IFRS 2 with which the following were clarified:

• in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions shall follow the same approach as for equity-settled share-based payments,

•where tax law requires an entity to withhold a specified amount of tax (that constitutes a tax obligation of the employee) that relates to share-based payments and shall be remitted to the tax authority, such an arrangement shall be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature,

• if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification.

The amendment above is not expected to have an impact at the financial statements. The amendment has not yet been adopted by the European Union.

***Amendment to International Financial Reporting Standard 4 "Insurance Contracts" (Effective for annual periods beginning on or after 1.1.2018)***

On 12.9.2016 the International Accounting Standards Board issued an amendment to IFRS 4 with which:

• It provides insurers, whose activities are predominantly connected with insurance, with a temporary exemption from application of IFRS 9 and

•following full adoption of IFRS 9, it gives all entities with insurance contracts the option to present changes in fair value on qualifying designated financial assets in other comprehensive income instead of profit or loss.

The amendment above is not applicable to the financial statements of the Company. The amendment has not yet been adopted by the European Union.

***Amendment to International Financial Reporting Standard 10 "Consolidated Financial Statements" and to International Accounting Standard 28 "Investments in Associates and Joint Ventures" (Effective date has not yet been determined)***

Amendments settle in an inconsistency between the provisions of IFRS 10 and IAS 28 on the sale or contribution of assets between an investor and an associate or joint venture. The main effect of the changes is that it is recognized the entire gain or loss of a transaction that includes an activity (either in the form of a subsidiary or not). Partial profit or loss is recognized when the transaction includes assets that do not constitute an activity, even if these assets are in the form of a subsidiary.
The amendments above are not expected to have an effect at the financial statements of the Company. The amendments have not yet been adopted by the European Union.

***International Financial Reporting Standard 16 "Leases" (Effective for annual periods beginning on or after 1.1.2019)***

The new standard significantly differentiates the accounting of leases for lessees while essentially maintaining the existing requirements of IAS 17 for the lessors. In particular, under the new requirements, the classification of leases as either operating or finance is eliminated. A lessee is required to recognize, for all leases with term of more than 12 months, the right-of-use asset as well as the corresponding obligation to pay the lease payments. The above treatment is not required when the asset is of low value.

The Company is evaluating the possible impact of the adoption of this standard on its financial statements. This standard has not yet been adopted by the European Union.

***Amendment to International Accounting Standard 7 "Statement of Cash Flows": Disclosure Initiative (Effective for annual periods beginning on or after 1.1.2017)***

Based on the amendment of IAS 7 a company is requested to provide disclosures that helps users of financial statements to evaluate changes in those liabilities whose cash flows are classified as financing activities in the cash flow statement.

The Company is evaluating the possible impact of the adoption of this standard on its financial statements. This standard has not yet been adopted by the European Union.

***Amendment to International Accounting Standard 12 "Income Taxes": Recognition of Deferred Tax Assets for Unrealised Losses (Effective for annual periods beginning on or after 1.1.2017)***

On 19.1.2016 the International Accounting Standards Board issued an amendment to IAS 12 with which the following were clarified:

• Unrealised losses on debt instruments measured at fair value for accounting purposes and at cost for tax purposes may give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the asset by sale or by use.

• The recoverability of a deferred tax asset is assessed in combination with other deferred tax assets. However, if tax law offsets specific types of losses only against a particular type of income, the relative deferred tax asset shall be assessed in combination with other deferred tax assets of the same type.

• During the deferred tax asset recoverability assessment, an entity compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.

• The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The Company is evaluating the possible impact of the adoption of this standard on its financial statements. This standard has not yet been adopted by the European Union.

***Amendment to International Accounting Standard 40 "Investment Property": Transfers of Investment Property (Effective for annual periods beginning on or after 1.1.2017)***

The International Accounting Standards Board issued an amendment to IAS 40 with which it clarified that an entity shall reclass a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A change in management's intentions for the use of a property does not provide evidence of a change in use. In addition, the examples of evidence of a change in use were expanded to include assets under construction and not only transfers of completed properties.

The amendment above is not expected to have an effect at the financial statements of the Company. This standard has not yet been adopted by the European Union.

***Improvements to International Accounting Standards – cycle 2014-2016 (Effective for annual periods beginning on or after 1.1.2017)***

As part of the annual improvements project, the International Accounting Standards Board issued, on 08.12.2016, non- urgent but necessary amendments to various standards.

The Company is evaluating the impact from the adoption of the above amendments on its financial statements. The amendments have not yet been adopted by the European Union.

***IFRIC Interpretation 22 "Foreign Currency Transactions and Advance Consideration" (Effective for annual periods beginning on or after 1.1.2018)***

The Interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation clarified that the date of the transaction, for the purpose of determination of exchange rate to use on initial recognition of the asset, the income or expense, is the date of initial recognition of the non-monetary asset or liability (i.e. advance consideration). Additionally, if there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The interpretation is not expected to have an effect at the financial statements of the Company. This interpretation has not yet been adopted by the European Union.

### 3.2. Judgements

The preparation of the Financial Statements in accordance with the IFRSs requires that the Company's management carry out judgments that affect the reported amounts.

### 3.3. Estimates and assumption

Certain amounts included in or affecting the Financial Statements and related disclosures must be estimated, requiring Management to make assumptions with respect to values or conditions which cannot be known with certainty at the time the Financial Statements are prepared. A "critical accounting estimate" is one which is both important to the portrayal of the Company's financial condition and results and requires Management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. The Company evaluates such estimates on an ongoing basis, based upon historical results and experience, consultation with experts, trends and other methods considered reasonable in the particular circumstances, as well as forecasts as to how these might change in the future. Also at note 4, "Summary of Significant Accounting Policies", are mentioned accounting policies that have been selected from acceptable alternatives.

**Employee benefit plans**

Refer to note 4.10.

**Income Taxes**

Refer to note 4.9

**Useful life of depreciable assets**

Refer to note 4.1 4.2., 4.3.

## 4. Summary of significant accounting policies

The most significant accounting policies which are used for the preparation of the Financial Statements are summarized below. It should be noted that accounting estimates and assumptions are used in the preparation of Financial Statements. Although these estimates are based on Management's best knowledge of current events, actual results may differ from those estimates.

### 4.1. Tangible fixed assets

Tangible assets are reported in the Financial Statements at acquisition cost less accumulated depreciation and impairment losses. Acquisition cost includes all the directly attributable expenses for the acquisition of the assets. Subsequently they are valued at undepreciated cost less any impairment.

Subsequent expenditure is added to the carrying value of the tangible assets or are accounted for as a separate tangible asset only if it is probable that future economic benefits will flow to the Company and their cost can be accurately and reliably measured. Repair and maintenance costs are registered to the results when they take place. Upon sale of tangible assets, any difference between the proceeds and the book value is booked as profit or loss to the results.

Depreciation of tangible assets (other than Land which is not depreciated) is calculated using the straight line method over their useful life, as follows:

| | |
|---|---|
| Mechanical equipment | 3-9 years |
| Means of transport | 6,5 years |
| Other equipment | 3,5- 5 years |

The residual values and useful economic lives of tangible assets are subject to reassessment at each reporting date. When the book value of tangible assets exceeds their recoverable amount, the difference (impairment) is immediately registered as an expense in the results.
Asset with acquisition costs less that €1.500 are fully depreciated within the fiscal year.

### 4.2. Intangible assets

Intangible assets include software and software licenses.
Software licenses are recognized at historical and subsequently they are carried at cost less accumulated amortization. Depreciation is calculated using the straight line method during the assets' useful life that range from 1 to 5 years.
Intangible assets up to a value of € 1.500 are amortized during the year of acquisition.

### 4.3. Impairment of non financial assets

Assets with an indefinite useful life and intangible assets that have not yet come in force are not depreciated and are tested for impairment, when there are indications that their carrying amount is not recoverable. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. An impairment loss is recognized when the carrying amount of these assets (cash generating unit - CGU) is greater than its recoverable amount. Fair value less costs of disposal is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.
For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.
An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

However, the Company's policy is that any changes in present value of future cash flows due to factors outside of the Company’s control (eg interest rates), do not constitute reasons for reversal of impairments that had been recorded in previous years.

### 4.4. Leases

The Company enters into agreements that are not those of the legal type of a lease but pertain to the transfer of the right to use assets (property, plant and equipment) as against certain payments.

The consideration of whether as agreement contains an element of a lease is made at the inception of the agreement, taking into account all the available data and particular circumstances. After the inception of the agreement, there is conducted its revaluation concerning whether it still contains an element of a lease in case any of the below mentioned happen:

a) there is a change in the conditions of the leases apart from cases when the leases is simply prolonged or renewed,

b) there is exercised the right to renew the leases or a prolongation of the leases is decided apart from the cases when the terms of prolongation and renewal were initially included in the leasing period,

c) there is a change in the extent to which the realization depends on the defined assets and

d) there is a material change in the assets.

**The Company as the lessee**

The ownership of a leased asset is transferred to the lessee in case all the risks and rewards of ownership of the leased assets have been transferred to the lessee irrespective of the legal type of the agreement. At the commencement of the lease term, lessees shall recognise finance leases as assets and liabilities in their balance sheets at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Subsequent accounting treatment of assets acquired through finance leases is that the leased land and buildings are revalued at fair value. The leased assets are depreciated over the shorter period between the term of the lease and the useful life unless it is almost certain that the lessee will assume the property of the asset upon the termination of the contract. If the lease transfers the ownership of the asset upon the termination of the contract or if there is the option of purchase at a lower price, then the depreciable period is the asset’s useful life. Lease payments are distinguished in the amount referring to interest repayment and capital repayment. The distinction is made in order to achieve a fixed repayment schedule. Interest payments are charged to the income statement.

All the remaining leases are treated 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.

**The Company as the lessor**

The leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initially, the lease payment income less cost of services is charged to the income on a straight-line basis over the period of the lease. The costs, including depreciation, incurred for the acquisition of lease payments income, are charged to the expenses.

### 4.5. Trade receivables

Trade receivables are the amounts due from clients for products sold or services provided to them during the ordinary course of business of the Company.

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

### 4.6. Cash and cash equivalents

Cash and cash equivalents include cash at bank accounts and in hand as well as short term highly liquid investments such as money market instruments and bank deposits with an original maturity of three months or less. Restricted cash is also included in Cash and Cash Equivalents. Restricted cash is cash not available for immediate use. Such cash cannot be used by a Company until a certain point or event in the future.

### 4.7. Equity

Share capital is determined using the nominal value of shares that have been issued. Ordinary shares are classified as equity.

Any excess of the fair value of the consideration received over the par value of the shares issued is recognized as share premium in shareholders' equity. Share capital issuance costs, net of related tax, are reflected as a deduction from share premium.

Treasury shares consist of Company's own equity shares, which are reacquired and not cancelled. Treasury shares do not reduce the number of shares issued but reduce the number of shares in circulation. Treasury shares are recognized at cost as a deduction from equity. No gain

or loss is recognized in the income statement on the purchase, sale, issue or cancellation of the Company's own share capital.
Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired.

### 4.8. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business of the Company. Trade payables are recognized as short term liabilities if they become due, or must be paid, within one year. If the payment can be made after one year then they are recognized as long term liabilities.

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

### 4.9. Current and deferred income tax

Income tax 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 measured on the taxable income for the year using enacted or substantively enacted tax rates at the reporting date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
Deferred income tax is provided on all temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.
Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences.In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.
Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognised as a part of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity. Deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. The Company recognises previously unrecognised deferred tax asset are reassessed at each balance sheet date to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

## 4.10. Employee benefits

The company pay contributions to employee benefit plans after leaving the service in accordance with the laws. These programs are separated into defined benefit plans and defined contribution plans.

### Defined benefit plans

As defined benefit plan is a benefit plan to an employee after leaving the service, in which benefits are determined by certain parameters such as age, years of service or salary. At defined benefit plan, the value of the liability is equal to the present value of defined benefit payable at the balance sheet date less the fair value of plan assets and of past services cost. The defined benefit liability and the related expense is estimated annually by independent actuaries using the projected credit unit method. The present value of the liability is determined by discounting the estimated future cash flows to the interest rate of high quality corporate bonds or government bonds in the same currency as the liability with proportional liability duration, or interest rate that takes into account the risk and duration of the liability, where the market depth for such bonds is weak. The costs of liability are recognized in income during the rendering of insured services. The expenses for defined benefit plans, as estimated, are recognized in the income statement and are included in the account “Staff Costs”. Additionally, based on the requirements of IAS 19 (Amendment) the actuarial profits/(losses) are recognised in the statement of comprehensive income.

### Defined contribution plans

A defined contribution plan is where the entity pays fixed contributions into a separate entity and no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 4.11. Distribution of dividends

Dividend distribution is recognized as a liability when the dividends are approved by the General Meeting of Shareholders.

# E. NOTES ON THE FINANCIAL STATEMENTS

## 1. Intangible assets

Intangible assets refer to software.

| | Software | Software development | Total |
|---|---|---|---|
| Period that ended on 31 December 2016 | | | |
| **Opening net book amount (1 January 2016)** | **-** | **-** | **-** |
| Additions | 100,930 | - | **100,930** |
| Capitalised expenses | - | 51,204 | **51,204** |
| Amortization charge | (6,872) | - | **(6,872)** |
| **Net Book Amount (31 December 2016)** | **94,058** | **51,204** | **145,262** |

Additions of current period mainly refer to software development.

For the current period the company capitalizes an amount of €51,204 which refers to the salary of the employees working for certain software system.

## 2. Tangible fixed assets

Tangible assets are analyzed as follows:

| | Vehicles and other equipements | Total |
|---|---|---|
| Period that ended on 31 December 2016 | | |
| **Opening net book amount (1 September 2016)** | **-** | **-** |
| Additions | 11,969 | **11,969** |
| Depreciation charge | (11,969) | **(11,969)** |
| **Net Book Amount (31 December 2016)** | **-** | **-** |

Purchases of tangible assets purchased for the year ended 31.12.2016, amounting to €11,969, mainly concern PCs which have been fully depreciated within the fiscal year.

## 3. Other non- current assets

Other non-current assets concern car leasing guarantees:

| | 31.12.2016 |
|---|---|
| Guarantee deposits | 3,727 |
| **Total** | **3,727** |

The guarantee letters concern car leasing.

## 4. Deferred Tax

| | 31.12.2016 |
|---|---|
| **Opening balance, net deferred asset/(liability)** | **-** |
| Charge recognised in profit or loss | 28,349 |
| Charge recognised in other comprehensive income | 2,260 |
| **Closing balance, net deferred asset** | **30,609** |

The movement in deferred tax assets per category during the year is as follows:

| | Balance at 1 September 2016 | Recognized in the Comprehensive Income Statement | Recognized in Other Comprehensive Income Statement | Balance at 31 December 2016 |
|---|---|---|---|---|
| Tangible assets | - | 3.466 | - | 3.466 |
| Intangible assets | - | 1.365 | - | 1.365 |
| Employee benefits plans | - | 3.743 | 2.260 | 6.003 |
| Accrued liabilities | - | 19,775 | - | 19,775 |
| **Closing balance, net deferred asset** | **-** | **28,349** | **2.260** | **30,609** |

## 5. Cash and cash equivalents

The analysis of cash and cash equivalents is as follows:

| | 31.12.2016 |
|---|---|
| Cash in hand | 596 |
| Cash at bank | 2,760,156 |
| **Total** | **2,760,752** |

The deposits held by the Company in Greek credit institutions are subject to restrictions of cash withdrawal and working capital transfers, as established with the Act of legislative content 65/28.06.2015 and applied in accordance with the relevant ministerial decisions.

## 6. Trade receivables

The analysis of trade receivables is as follows:

| | 31.12.2016 |
|---|---|
| Prepaid expenses | 2,735 |
| Other receivables | 192 |
| **Total short-term receivables** | **2,926** |

## 7. Share capital

Share capital is fully paid up.

The share capital of the Company as at 31.12.2016 amounts to €2,900,000, divided into 2,900,000 ordinary shares worth €1 each.

## 8. Staff Retirement Indemnities Liabilities

Under Greek labor law, employees are entitled to termination payments in the event of retirement with the amount of payment varying in relation to the employee's compensation and length of service The liability arising from the above obligation is actuarially valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2016.

The analysis of the plans in statement of Financial Position is as follows:

| | 31.12.2016 |
|---|---|
| **Balance at the beginning of the year** | **-** |
| Cost of current employees | 2,448 |
| Cost of transferred employees | 10,286 |
| Financial cost | 173 |
| Settlement cost | - |
| **Total cost recognized in Statement of Comprehensive Income** | **12,906** |
| Actuarial (gains) / losses from economic estimates | - |
| Actuarial (gains) / losses from actual experience for the fiscal period | 7,793 |
| **Total actuarial (gain)/loss recognized in Equity** | **7,793** |
| **Balance at the end of the year** | **20,700** |

The amount of €12,906 is included in the Comprehensive Income Statement in the Administration expenses.

The major actuarial assumptions taken into consideration for accounting purposes on 31.12.2016 are the following:

| | 31.12.2016 |
|---|---|
| Discount rate | 1.35% |
| Expected salary increase | 2.00% |
| Average years to retirement | 27.44 |
| Inflation rate | 2.00% |

The estimated service cost for the next fiscal year amounts to € 8,887 for the Company.

The following table shows the change in actuarial liability of the Company if the discount rate was 0.5% higher or lower than that which has been used and the corresponding change if the expected rate of salary increase was 0.5% higher or lower than the one used:

| Sensitivity analysis | Actuarial liability | Percentage change |
|---|---|---|
| Increase in discount rate by 0.5% | 18,443 | -11% |
| Decrease in discount rate by 0.5% | 23,258 | 12% |
| Increase in the expected wages' increase by 0.5% | 22,799 | 10% |
| Decrease in the expected wages' increase by 0.5% | 18,611 | -10% |

## 9. Trade payables

The analysis of trade payables is as follows:

| | 31.12.2016 |
|---|---|
| Suppliers (services, assets ) | 66,575 |
| Amounts due to related parties (Note E13) | 35,278 |
| Accrued expenses | 7,734 |
| Social Security institutions and other taxes - fees | 55,513 |
| Other liabilities | 90,601 |
| **Total** | **254,701** |

The liabilities of suppliers (services, assets) concern liabilities to consulting and software development firms. Other liabilities concern liabilities to the personnel.

## 10. Expenses per category

The analysis of the expenses per category is illustrated bellow:

| | 01.09-31.12.2016 |
|---|---|
| Personnel cost (Note E11) | 181,627 |
| Depreciation of tangible assets (Note E2) | 11,970 |
| Amortization of intangible assets (Note E1) | 6,872 |
| Third party fees and expenses | 38,110 |
| Repair and maintenance expenses | 1,936 |
| Other | 12,742 |
| **Total** | **253,256** |

For current fiscal period all expenses of the Company concern administration expenses since the Company has not yet commences its commercial activity.

# 11.Personnel cost

Payroll expenses and other employee benefits are as follows:

| | 01.09-31.12.2016 |
|---|---|
| Employee remuneration | 148,738 |
| Social security costs | 18,698 |
| Other remuneration | 1,284 |
| **Subtotal** | **168,721** |
| Retirement benefit costs (Note E8) | 12,906 |
| **Total** | **181,627** |

The number of the employees as at 31.12.2016 was 16.

# 12.Financial results income/ (expenses)

| | 01.09-31.12.2016 |
|---|---|
| Finance expenses | (50) |
| **Finance expenses** | (50) |
| Interest from bank deposits | 1,277 |
| **Finance income** | **1,277** |
| **Net finance income** | **1,277** |

# 13.Related parties

**Transactions with related companies**

The following transactions are transactions with related parties:

| Company's transactions with related parties: | Expenses | Purchases of intangible assets | Payables |
|---|---|---|---|
| OPAP S.A | 2,792 | - | 6,942 |
| Tora Direct A.E | - | - | 2,165 |
| OPAP Investment Ltd | - | - | 1,996 |
| Neurosoft S.A | 8,637 | 76,359 | 24,175 |
| **Total** | **11,429** | **76,359** | **35,277** |

The transactions with OPAP SA relate to building rental and utilities of €2,792 and the liabilities to OPAP SA of €6,942 include car leasing guarantees of €1,562 and expenses related to the establishments of the Company of €2,910 which were paid by OPAP S.A. The liabilities to TORA DIRECT concern car leasing guarantees of €2,165. The transactions with Neurosoft S.A concern software systems of € 76,359 and related expenses (such as maintenance and hosting for the systems) of €8,637. Transactions with OPAP Investment LTD concerns notary expenses paid by OPAP Investment Ltd.

**Transactions with Key management personnel and BoD**

| Category | Description | 01.09.2016-31.12.2016 |
|---|---|---|
| Key management personnel | Salaries | 43,923 |
| | Other compensations and benefits | 64,103 |
| | Cost of social insurance | 9,511 |
| **Σύνολο** | | **117,538** |

Payables and receivables balances from and to the members of management at the reporting date 31.12.16 are the following:

| Liabilities from fees and payroll | 31.12.2016 |
|---|---|
| Key Management Personnel | 76,758 |
| **Total** | **76,758** |

## 14.Other disclosures

**Contingent liabilities**

The Company has no contingent liabilities at 31.12.2016.

**Legal matters**

Until the public release of these Financial Statements, no legal cases have arisen from third parties, companies or individuals that will require the formation of a relevant provision due to a negative outcome. Furthermore, the Company has made no relevant claims.

**Operating lease commitments**

Total future minimum payments for contracts that the Company has entered into, are analyzed below:

| | 31.12.2016 |
|---|---|
| Less than 1 year | 29,525 |
| 1 - 5 years | 60,023 |
| More than 5 years | - |

Operating leases relate to leases of cars and buildings.

## 15.Financial risk factors

**Risk from the impact of adverse financial circumstances on the Greek economy**

On a macroeconomic level, the realization of the Third Economic Adjustment Programme of the Greek economy continues to be subject to a series of conditions, while its implementation does not guarantee the Greek economy's expected return to an established course of sustainable growth, something that may lead to negative effects for the Company's business activities, operational results and financial status.

The Company's activity is significantly affected by decreased consumer spending, which in turn is affected by the current economic conditions in Greece, such as the unemployment rate, interest rates, inflation rate, tax rate and the increase in GDP rate. Moreover, the economic recession, financial uncertainty and a number of the Company's customers potential interpretation that the economic conditions are deteriorating, could result in a decrease of the usage of the services that the Company will offer to the public.

The return to economic stability depends greatly on the actions and decisions of the institutions both in the country and abroad, as well as from the assessment of the Greek economy from international creditors in the context of the third program.

Any further negative development in the economy would affect the normal operations. However, Management is continually adjusted to the situation and ensures that all necessary actions are taken, to maintain undisturbed activities.

**Market risk**

Market risk arises from the possibility that changes in market prices such as exchange rates and interest rates affect the results of the Company or the value of financial instruments held.

The management of market risk consists of the effort of the Company to control its exposure to acceptable limits.
The following describe in more detail the specific risks that make the market risk and their management policies by the Company:

- **Currency risk**

The Company faces no exchange rate risk as all its transactions are in Euro.

- **Capital management**

The objectives of the Company regarding capital management are to safeguard the Company's ability to remain a going concern in order to produce profits for shareholders and benefits for other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital.
In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends distributed to shareholders, return capital to shareholders or issue new shares.

**Credit risk**

The credit risk arising deposits of cash deposits, it should be noted that the Company collaborates only with financial institutions with a high credit rating.

**Liquidity risk**

The cash flows payable by the Company for financial liabilities, at the reference dates, are presented in the table below. The amounts presented in the table are the contractual undiscounted cash flows.

| | 2016 |
|---|---|
| Less than 1 year | 254,701 |

**Cash flows risk and fair value change risk due to interest changes**

The Company is not exposed to interest rate risk as it is not a party to loan contracts.

## 16.Subsequent events

No significant events occurred after the balance sheet date.

**Athens, 9 June 2017**

| | | |
|---|---|---|
| **Chairman of the BoD** | **Member of BoD & CEO** | **CFO** |
| **Michal Houst** | **Constantinos Frydakis** | **Ioannis Dianellou** |
| **Passposrt No. 39893691** | **ID No. AK659125** | **ID No. AB507265** |

# F. SUMMARY FINANCIAL INFORMATION FOR THE PERIOD FROM 01.09.2016 TO 31.12.2016

**TORA WALLET S.A.**
Member of opap Group

**TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES**
**GENERAL COMMERCIAL REGISTRY NUMBER 139861001000**
**Athinon Avenue 108 and Chrimatistiriou Str., Athens.**
**DATA AND INFORMATION FOR THE PERIOD**
**FROM SEPTEMBER 1st 2016 TO DECEMBER 31st 2016**

**(Published according to Law 2190/20, article 43a for companies preparing annual financial statements, consolidated or not, according to International Accounting Standards)**
**The following data and information deriving from the financial statements aim to give summary information about the financial position and results of TORA WALLET SOCIETE ANONYME FOR ELECTRONIC MONEY SERVICES . Therefore we advise the reader, before making any investment decision or other transaction with the Company, to visit the company's website, where the financial statements are posted, which have been prepared in accordance with International Financial Reporting Standards, as adopted by the EU, along with the audit report of the statutory auditor, when**

| | | | |
|---|---|---|---|
| Competent Authority: | Ministry of Finance, Development and Tourism | Approval date of the financial report | 9 JUNE 2017 |
| Internet Address: | www.torawallet.gr | Chartered Accountant: | Nikolaos Vouniseas (Registry no SOEL 18701) KPMG Certified Auditors A.E. (No of SOEL 114) |
| Composition of the Board of Directors: | Michal Houst,Spyridon Fokas, Constantinos Frydakis, Rene Langen Martin Skopek, Igor Russek | Form of Auditor's Report : | Unqualified |

**STATEMENT OF FINANCIAL POSITION (Amounts in €)**

| | 31.12.2016 |
|---|---|
| **ASSETS** | |
| Intangible assets | 145,262 |
| Tangible assets | - |
| Deffered tax assets | 30,609 |
| Other non-current assets | 3,727 |
| Trade receivables | 2,926 |
| Cash and cash equivalents | 2,760,752 |
| **TOTAL EQUITY** | **2,943,276** |
| **EQUITY AND LIABILITIES** | |
| Share Capital | 2,900,000 |
| Other items of shareholders equity | (232,124) |
| **Total sharholders equity (a)** | **2,667,876** |
| Provisions / Other long term liabilities | 20,700 |
| Other current liabilities | 254,701 |
| **Total Liabilities (d)** | **275,401** |
| **TOTAL EQUITY AND LIABILITIES (a) + (b)** | **2,943,276** |

**STATEMENT OF COMPREHENSIVE INCOME (Amounts in €)**

| | 01.09.2016 - 31.12.2016 |
|---|---|
| **Revenues from services** | - |
| **Gross profit** | - |
| **Loss before tax, interest and investing results** | **(253,256)** |
| **Loss before tax** | **(252,029)** |
| **Loss after tax (A)** | **(223,681)** |
| **Other comprehensive income after tax (B)** | **(5,533)** |
| **Total comprehensive income after tax (A)+(B)** | **(229,214)** |
| Loss after tax per share - basic (in €) | (0.08) |
| **Loss before tax, interest, depreciation, amortization and investing results (EBITDA)** | **(234,415)** |

**STATEMENT OF CHANGES IN EQUITY (Amounts in €)**

| | 01.09.2016 - 31.12.2016 |
|---|---|
| **Total equity in the beginning of the year** | - |
| Total comprehensive income after tax | (229,214) |
| **Total equity at the year end** | **(229,214)** |

**CASH FLOW STATEMENT (Amounts in €)**

| | 01.09.2016 - 31.12.2016 |
|---|---|
| **Operating Activities** | |
| Loss before tax | (252,029) |
| Adjustments for: | |
| Depreciation and amortization | 18,841 |
| Financial results | (1,227) |
| Employee benefit plans | 12,906 |
| *Plus / (minus) adjustments for changes in working capital or connected to operating activities:* | |
| Increase in receivables | (6,654) |
| Increase in payables (excluding banks) | 254,701 |
| Minus : | |
| Interest expenses paid | (50) |
| Income tax paid | |
| **Total inflows generated from operating activities (a)** | **26,488** |
| **Investment activities** | |
| Outflow for tangible and intangible assets | (164,104) |
| Proceeds from sale of tangible and intangible fixed assets | |
| Interest received | 1,277 |
| **Total outflows from investment activities (b)** | **(162,826)** |
| **Financial activities** | |
| Payments of share capital increase expense | (2,910) |
| **Total outflows from financing activities ( c)** | **(2,910)** |
| **Net decrease in cash and cash equivalents (a) + (b) + (c)** | **(139,248)** |
| Cash and cash equivalents at the beginning of the period | 2,900,000 |
| **Cash and cash equivalents at the end of theperiod** | **2,760,752** |

**ADDITIONAL INFORMATION**

1. The company established on 1st Septembet 2016.
2. The assets are currently unencumbered.
3. According to the letters of the lawyers, there are no founded cases concerning judicial claims by third parties against the company nor any reasonable third party lawsuits against the company pending.
4. The total accumulated provision that the company has conducted on its books concerns the staff severance compensation the amount of € 20,700.
5. The number of permanently employed personnel on 31.12.16 is 16.
6.The amount of inflows, outflows, company receivables and payables to related parties as defined by I.A.S. 24, are as follows:

| AMOUNTS IN € | 01.1.2016 -31.12.2016 |
|---|---|
| Purchases of intangible assets | 76,359 |
| Outflows | 11,429 |
| Receivables | 35.277 |
| Payables | - |
| Transactions and remuneration of managerial staff and remuneration of the Management | 117,538 |
| Liabilities to executive and administation members | 76,758 |

7. On 31.12.16 the share capital amounts to €2,900.800, divided into 2,900,000 registered shares of nominal value €1 each.
8. The present Financial statements of the Company are included in the consolidated financial statements of 31.12.2016 of the OPAP Investments LTD , which has its legal seat in Cyprus and is controled by OPAP SA,with the full consolidation method. The percentage holding in TORA WALLET S.A. is 100% on 31.12.2016.
9. Any discrepancies in totals are due to rounding.
10. The outflows on fixed assets of the company for the period 01.01.2016- 31.12.16 amounted to € 164,104.
11. The Board of Directors of 09.06.2017 approved the Financial Statements and proposed not to distribute dividends.
12. The present Financial statements are subjected to approval by the Extraordinary General Meeting of Shareholders.

Athens, 9 June 2017

| The Chairman of the B.O.D. | Member of the BoD & CEO | CFO |
|---|---|---|
| Michal Houst | Constantinos Frydakis | Ioannis Dianellou |
| Passport No. 39893691 | ID No AK 659125 | ID No AB 507265 |