

**GRIVALIA HOSPITALITY HOLDINGS
TWO LIMITED**

FINANCIAL STATEMENTS
Period from 13 April 2018 to 31 December 2018

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

FINANCIAL STATEMENTS

Period from 13 April 2018 to 31 December 2018

CONTENTS	PAGE
Board of Directors and other officers	1
Independent auditor's report	2 - 3
Statement of comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8 - 11
Additional information to the statement of comprehensive income	12 - 14

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	NAP Directors Limited (appointed on 13 April 2018) Panagiotis Aristeidis Varfis (appointed on 13 April 2018) Charalampos Anastaselos (appointed on 23 May 2019) Stefanos Dionysios Vlastos (appointed on 13 April 2018 and resigned on 23 May 2019)
Company Secretary:	NAP Secretarial Limited
Independent Auditors:	Executive Assurance Limited Certified Public Accountants and Registered Auditors
Registered office:	Giannou Kranidioti 10 Nice Day House, 6th floor, Flat 602 1065, Nicosia, Cyprus
Registration number:	HE382543



Independent Auditor's Report

To the Members of Grivalia Hospitality Holdings Two Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Grivalia Hospitality Holdings Two Limited (the "Company"), which comprise the statement of financial position as at 31 December 2018, and the statements of comprehensive income, changes in equity and cash flows for the period from 13 April 2018 to 31 December 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, and of its financial performance and its cash flows for the period from 13 April 2018 to 31 December 2018 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

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' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the additional information to the statement of comprehensive income in pages 12 to 14, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report (continued)

To the Members of Grivalia Hospitality Holdings Two Limited

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.

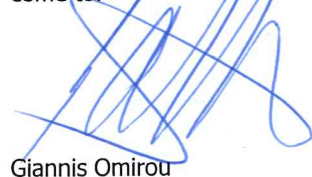
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 a true and fair view.

We communicate with the Board of Directors 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.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



Giannis Omirou
Certified Public Accountant and Registered Auditor
for and on behalf of
Executive Assurance Limited
Certified Public Accountants and Registered Auditors

Larnaca, 2 December 2019

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

STATEMENT OF COMPREHENSIVE INCOME

Period from 13 April 2018 to 31 December 2018

		Period from 13 April 2018 to 31 December 2018
	Note	€
Administration expenses		(3.278)
Other expenses	8	<u>(2.751)</u>
Loss before tax		(6.029)
Tax	10	<u>-</u>
Net loss for the period		(6.029)
Other comprehensive income		<u>-</u>
Total comprehensive income for the period		<u><u>(6.029)</u></u>

The notes on pages 8 to 11 form an integral part of these financial statements.

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2018

	Note	2018 €
ASSETS		
Current assets		
Receivables	11	<u>1.608</u>
		<u>1.608</u>
Total assets		<u><u>1.608</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	12	2.000
Accumulated losses		<u>(6.029)</u>
Total equity		<u>(4.029)</u>
Current liabilities		
Other creditors	13	<u>5.637</u>
		<u>5.637</u>
Total equity and liabilities		<u><u>1.608</u></u>

On 2 December 2019 the Board of Directors of Grivalia Hospitality Holdings Two Limited authorised these financial statements for issue.




.....
Panagiotis Aristeidis Varfis
Director


.....
Charalampos Anastaselos
Director

The notes on pages 8 to 11 form an integral part of these financial statements.

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

STATEMENT OF CHANGES IN EQUITY

Period from 13 April 2018 to 31 December 2018

	Note	Share capital €	Accumulated losses €	Total €
Balance at 13 April 2018		-	-	-
Net loss for the period		-	(6.029)	(6.029)
Transactions with owners				
Issue of share capital	12	<u>2.000</u>	<u>-</u>	<u>2.000</u>
Balance at 31 December 2018		<u>2.000</u>	<u>(6.029)</u>	<u>(4.029)</u>

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 8 to 11 form an integral part of these financial statements.

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

STATEMENT OF CASH FLOWS

Period from 13 April 2018 to 31 December 2018

	Period from 13 April 2018 to 31 December 2018 €
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss before tax	(6.029)
Adjustments for:	
Issue of share capital	<u>2.000</u>
	(4.029)
Changes in working capital:	
Increase in receivables	(1.608)
Increase in other creditors	<u>5.637</u>
Cash generated from operations	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>
Net increase in cash and cash equivalents	-
Cash and cash equivalents at beginning of the period	<u>-</u>
Cash and cash equivalents at end of the period	<u><u>-</u></u>

The notes on pages 8 to 11 form an integral part of these financial statements.

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 13 April 2018 to 31 December 2018

1. Incorporation and principal activities

Country of incorporation

The Company Grivalia Hospitality Holdings Two Limited (the "Company") was incorporated in Cyprus on 13 April 2018 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Giannou Kranidioti 10, Nice Day House, 6th floor, Flat 602, 1065, Nicosia, Cyprus.

Principal activity

The principal activity of the Company is the holding of investments. The company remained dormant during the period.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The financial statements have been prepared under the historical cost convention.

3. Adoption of new or revised standards and interpretations

During the current period the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 13 April 2018.

4. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

Share capital

Ordinary shares are classified as equity.

5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management

Financial risk factors

The Company is exposed to liquidity risk, compliance risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 13 April 2018 to 31 December 2018

6. Financial risk management (continued)

6.1 Liquidity risk (continued)

31 December 2018	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Other creditors	4.417	4.417	4.417	-	-	-	-
	4.417	4.417	4.417	-	-	-	-

6.2 Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arises from non-compliance with laws and regulations of the state.

6.3 Capital risk management

Capital includes equity shares.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

7. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 discussed below:

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. 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.

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 13 April 2018 to 31 December 2018

8. Other expenses

	Period from 13 April 2018 to 31 December 2018 €
Incorporation expenses	2.751
	<u>2.751</u>

9. Expenses by nature

	Period from 13 April 2018 to 31 December 2018 €
Auditors' remuneration	774
Cyprus Registrar of Companies annual levy	350
Accounting fees	298
Other professional fees	1.856
Total expenses	<u><u>3.278</u></u>

10. Tax

The tax on the Company's results before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	Period from 13 April 2018 to 31 December 2018 €
Loss before tax	<u>(6.029)</u>
Tax calculated at the applicable tax rates	(754)
Tax effect of expenses not deductible for tax purposes	388
Tax effect of tax loss for the period	366
Tax charge	<u><u>-</u></u>

The corporation tax rate is 12,5%.

11. Receivables

	2018 €
Shareholders' current accounts - debit balances (Note 14.1)	1.608
	<u>1.608</u>

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 13 April 2018 to 31 December 2018

12. Share capital

	2018 Number of shares	2018 €
Authorised		
Ordinary shares of €1 each	<u>5.000</u>	<u>5.000</u>
Issued and fully paid		
Issue of shares	<u>2.000</u>	<u>2.000</u>
Balance at 31 December	<u>2.000</u>	<u>2.000</u>

Authorised capital

Under its Memorandum the Company fixed its share capital at 5.000 ordinary shares of nominal value of €1 each.

Issued capital

Upon incorporation on 13 April 2018 the Company issued to the subscribers of its Memorandum of Association 2.000 ordinary shares of €1 each at par.

13. Other creditors

	2018 €
Accruals	1.220
Other creditors	<u>4.417</u>
	<u>5.637</u>

14. Related party transactions

The following transactions were carried out with related parties:

14.1 Shareholders' current accounts - debit balances (Note 11)

	2018 €
Grivalia Hospitality S.A.	<u>1.608</u>
	<u>1.608</u>

The shareholders' current accounts are interest free, and have no specified repayment date.

15. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2018.

16. Commitments

The Company had no capital or other commitments as at 31 December 2018.

17. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

Independent auditor's report on pages 2 to 3

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

DETAILED INCOME STATEMENT

Period from 13 April 2018 to 31 December 2018

		Period from 13 April 2018 to 31 December 2018
	Page	€
Operating expenses		
Administration expenses	13	<u>(3.278)</u>
		(3.278)
Other operating expenses		
Incorporation expenses		<u>(2.751)</u>
Net loss for the period before tax		<u><u>(6.029)</u></u>

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

ADMINISTRATIVE EXPENSES

Period from 13 April 2018 to 31 December 2018

	Period from 13 April 2018 to 31 December 2018 €
Administration expenses	
Cyprus Registrar of Companies annual levy	350
Auditors' remuneration	774
Accounting fees	298
Other professional fees	<u>1.856</u>
	<u><u>3.278</u></u>

GRIVALIA HOSPITALITY HOLDINGS TWO LIMITED

COMPUTATION OF CORPORATION TAX Period from 13 April 2018 to 31 December 2018

Net loss per income statement	Page 12	€	€ (6.029)
Add:			
Cyprus Registrar of Companies annual levy		350	
Incorporation expenses		<u>2.751</u>	
			<u>3.101</u>
Net loss for the year			<u><u>(2.928)</u></u>

CALCULATION OF TAX LOSSES FOR THE FIVE YEAR PERIOD

Tax year	2013	2014	2015	2016	2017	2018
	€	€	€	€	€	€
Profits/(losses) for the tax year	-	-	-	-	-	(2.928)
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						

Net loss carried forward

(2.928)