Olympos Naoussa Holdings Limited

Report and consolidated financial statements
31 December 2019

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Olympos Naoussa Holdings Limited

Board of Directors and other officers

Board of Directors

Panagiotis Aristeidis Varfis (resigned 23 05 2019)
Stephanos Dionysios Vlastos (resigned 23 05 2019)
Christina Tornivouka
Anna Economou
NAP Directors Ltd

Company Secretary

NAP Secretarial Ltd
10 Giannou Kranidioti Street,
Nice Day House, 6th Floor, Flat 602
1065, Nicosia
Cyprus

Registered office

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Independent Auditor's Report

To the Members of Olympos Naoussa Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Olympos Naoussa Holdings Limited (the "Company"), and its subsidiaries (the "Group"), which are presented in pages 5 - 29 and comprise the consolidated balance sheet as at 31 December 2019, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended 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 consolidated financial statements section of our report. We are independent of the Group 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 consolidated 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.

Responsibilities of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 Group'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.

Theodoros Stylianou
Certified Public Accountant and Registered Auditor
for and on behalf of

PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

Limassol, 14 September 2020

Olympos Naoussa Holdings Limited

Consolidated statement of comprehensive income for the year ended 31 December 2019

	Note	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Administrative expenses	10	**(217.390)**	(226.735)
Other income	8	-	3.146
Other gains - net	9	**286.348**	126.721
Profit/(loss) before income tax		**68.958**	(96.868)
Income tax expense	11	**(71.587)**	(53.372)
Loss and total comprehensive loss for the year/period		**(2.629)**	(150.240)

The notes on pages 9 to 29 are an integral part of these consolidated financial statements.

Olympos Naoussa Holdings Limited

Consolidated balance sheet at 31 December 2019

	Note	2019 €	2018 €
Assets			
Non-current assets			
Investment property	12	7.190.000	6.550.000
Current assets			
Financial assets at amortised cost	14	401.206	203.391
Tax refundable		18.704	-
Cash and bank balances	15	545.367	310.361
		965.277	513.752
Total assets		8.155.277	7.063.752
Equity and liabilities			
Capital and reserves			
Share capital	16	4.200	4.100
Share premium	16	8.048.800	7.048.900
Accumulated losses		(152.869)	(150.240)
Total equity		7.900.131	6.902.760
Non-current liabilities			
Deferred income tax liabilities	17	123.372	51.785
Current liabilities			
Trade and other payables	18	131.774	109.207
Total liabilities		255.146	160.992
Total equity and liabilities		8.155.277	7.063.752

On 14 September 2020 the Board of Directors of Olympos Naoussa Holdings Limited authorised these consolidated financial statements for issue.

Christina Tornivouka, Director

Anna Economou, Director

The notes on pages 9 to 29 are an integral part of these consolidated financial statements.

Olympos Naoussa Holdings Limited

Consolidated statement of changes in equity for the year ended 31 December 2019

	Note	Share capital €	Share premium €	Accumulated losses[1] €	Total €
Balance at 19 September 2017		-	-	-	-
Comprehensive loss					
Loss for the period		-	-	(150.240)	(150.240)
Transactions with owners					
Issue of shares	16	4.100	7.048.900	-	7.053.000
Total transactions with owners		4.100	7.048.900	-	7.053.000
Balance at 31 December 2018/1 January 2019		4.100	7.048.900	(150.240)	6.902.760
Comprehensive loss					
Loss for the year		-	-	(2.629)	(2.629)
Transactions with owners					
Issue of shares	16	100	999.900	-	1.000.000
Total transactions with owners		100	999.900	-	1.000.000
Balance at 31 December 2019		4.200	8.048.800	(152.869)	7.900.131

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents and domiciled. The special contribution for defence rate increased from 15% to 17% in respect of profits of year of assessment 2009 and to 20% in respect of profits of years of assessment 2010 and 2011 and was reduced back to 17% in respect of profits of years of assessment 2012 onwards. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

The notes on pages 9 to 29 are an integral part of these consolidated financial statements.

Olympos Naoussa Holdings Limited

Consolidated statement of cash flows for the year ended 31 December 2019

	Note	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Cash flows from operating activities			
Profit/(loss) before income tax		**68.958**	(96.868)
Adjustments for:			
Fair value gain on investment property	9	**(286.348)**	(126.721)
		(217.390)	(223.589)
Changes in working capital:			
Financial assets at amortised cost		(197.814)	(203.391)
Trade and other payables		24.153	107.620
Cash used in operations		(391.051)	(319.360)
Tax paid		(20.291)	-
Net cash used in operating activities		(411.342)	(319.360)
Cash flows from investing activities			
Purchases of investment property	12	-	(5.962.860)
Additions to investment property	12	**(353.652)**	(460.419)
Net cash used in investing activities		**(353.652)**	(6.423.279)
Cash flows from financing activities			
Proceeds from issuance of share capital	16	**1.000.000**	7.053.000
Net cash from financing activities		**1.000.000**	7.053.000
Net increase in cash and cash equivalents		**235.006**	310.361
Cash and cash equivalents at beginning of year/period		**310.361**	-
Cash and cash equivalents at end of year/period	15	545.367	310.361

The notes on pages 9 to 29 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General information

Country of incorporation

The Company is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 10 Giannou Kranidioti Street, Nice Day House, 6th Floor, 1065, Nicosia, Cyprus.

Principal activities

The principal activity of the Group, which is unchanged from last year, is the development and operation of Tourism Real Estate units for future rental and/or capital appreciation.

2 Basis of preparation

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

As of the date of the authorization of the consolidated financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2019 and are relevant to the Company's operations have been adopted by the EU through the endorsement procedure established by the European Commission.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property at fair value.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 7.

Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Basis of consolidation (continued)

(ii) Transactions and non-controlling interests

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

3 Adoption of new or revised standards and interpretations

During the current year the Group adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning 1 January 2019. This adoption did not have a material effect on the accounting policies of the Group.

4 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the lease term. Revenue is measured at the transaction price agreed under the contract.

A receivable is recognised when services are provided as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Foreign currency translation

(i) Functional and presentation currency

Items included in the Group's financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Euro (€), which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

4 Summary of significant accounting policies (continued)

Foreign currency translation (continued)

(ii) Transactions and balances (continued)

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss within "finance costs". All other foreign exchange gains and losses are presented in profit or loss within "other gains/(losses) – net".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Current and deferred income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which the Group 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. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company is taxed on its taxable income based on a tax rate of 12.50% in Cyprus. The Company's foreign subsidiaries are taxed on their taxable income based on a tax rate of 29% in Greece.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Group where there is an intention to settle the balances on a net basis.

4 Summary of significant accounting policies (continued)

Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property and is not used by the Group. Investment property comprises properties under construction which are being developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the investment property is substantially complete, or suspended if the development of the investment property is suspended.

Investment property under construction is measured at fair value only if it can be measured reliably.

Investment property further qualified for continued use as investment property, or for which the market has become less active, continues to be valued at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows (including rental payments and other outflows) that could be expected in respect of the property. Some of those outflows are reflected as a liability; whereas others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Changes in fair values are recorded in the income statement. Investment property is derecognised when disposed or when use of investment property is ended and there is no future economic benefit expected from the disposal. If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Group didn't capitalize borrowing costs within the period.

4 Summary of significant accounting policies (continued)

Impairment of non-financial assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment or more frequently if events and changes in circumstances indicate that they might be impaired. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

Financial assets - Classification

The Group classifies its financial assets to those to be measure at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Group's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Group may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Group commits to deliver a financial instrument. All other purchases and sales are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures financial assets classified at amortised cost at their fair value plus incremental transaction costs that are directly attributable to the acquisition of the financial assets. Subsequently, these are measured at amortised cost.

Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

4 Summary of significant accounting policies (continued)

Financial assets (continued)

Debt instruments

The subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as follows:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in "other income". Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other gains/(losses)" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the income statement. The Group's financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months and financial assets at amortised cost.

Financial assets – impairment – credit loss allowance for ECL

The Group assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at Amortised Cost. The Group measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'net impairment losses on financial and contract assets'.Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments measured at Amortised Cost are presented in the balance sheet net of the allowance for ECL.

Expected losses are recognised and measured according to one of two approaches: general approach or simplified approach.

For all financial instruments that are subject to impairment under IFRS 9, the Group applies general approach – three stage model for impairment. The Group applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to Note 6, Credit risk section for a description of how the Group determines when a SICR has occurred. If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Group definition of credit impaired assets and definition of default is explained in Note 6, Credit risk section.

4 Summary of significant accounting policies (continued)

Financial assets (continued)

Financial assets – impairment – credit loss allowance for ECL (continued)

Additionally the Group has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to Note 6, Credit risk section for a description of how the Group determines low credit risk financial assets.

Financial assets - Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets – write-off

Financial assets are written-off, in whole or in part, when the Group exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Group may write-off financial assets that are still subject to enforcement activity when the Group seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets – modification

The Group sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Group assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Group derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Group also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Group compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Group recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

4 Summary of significant accounting policies (continued)

Financial assets (continued)

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. In the balance sheet bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are carried at Amortised Cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Group. These are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Financial liabilities – measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

4 Summary of significant accounting policies (continued)

Transactions with equity owners/subsidiaries

The Group enters into transactions with shareholders and subsidiaries. When consistent with the nature of the transaction, the Group's accounting policy is to recognise any gains or losses with equity holders and other entities which are under the control of the ultimate shareholder, directly through equity and consider these transactions as the receipt of additional capital contributions or the payment of dividends. Similar transactions with non-equity holders or subsidiaries, are recognised through the profit or loss in accordance with IFRS 9, 'Financial Instruments Recognition and Measurement'.

Share capital and share premium

Ordinary shares and share premium are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

5 New accounting pronouncements

At the date of approval of these financial statements a number of new standards interpretations and amendments to existing standards are effective for annual periods beginning after 1 January 2019, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the financial statements of the Group.

6 Financial risk management

(i) Financial risk factors

The Group is exposed it to a variety of financial risks: credit risk and liquidity risk.

The Group does not have a formal risk management policy programme. Instead the susceptibility of the Group to financial risks such as credit risk and liquidity risk is monitored as part of its daily management of the business.

- **Credit risk**

Credit risk arises mainly from cash and cash equivalents, receivables from related parties and other receivables

6 Financial risk management (continued)

(i) Financial risk factors (continued)

- **Credit risk (continued)**

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, independently rated parties with a satisfactory credit rating are preferred. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

(ii) Impairment of financial assets

The Group has two types of financial assets/instuments that are subject to the expected credit loss model:

- financial assets at amortised cost (receivables from related parties and other receivables); and
- cash and cash equivalents

Significant increase in credit risk. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increases in credit risk on other financial instruments of the same counterparty
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparty in the group

Write-off. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. Also the Group categorises a debt financial asset for write off when a debtor fails to make contractual payments. Where debt financial assets have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

6 Financial risk management (continued)

(i) Financial risk factors (continued)

- **Credit risk (continued)**

The Group does not have any material debt financial assets that are subject to the impairment requirements of IFRS 9 and their contractual cash flows have been modified.

The Group uses the following categories for receivables from related parties, other receivable, cash and cash equivalents which reflect their credit risk and how the loss provision is determined for each of those categories. For counterparties which are externally rated, the Group uses external credit ratings.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Company definition of category	Basis for recognition of expected credit loss provision	Basis for calculation of interest revenue
Performing	Counterparties where credit risk is in line with original expectations	Stage 1: 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
Underperforming	Counterparties for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due (see above in more detail)	Stage 2: Lifetime expected losses	Gross carrying amount
Non-performing	Interest and/or principal repayments are 90 days past due or it becomes probable a customer will enter bankruptcy	Stage 3: Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)
Write-off	Interest and/or principal repayments are 180 days past due and there is no reasonable expectation of recovery.	Asset is written off	None

6 Financial risk management (continued)

(i) Financial risk factors (continued)

- **Credit risk (continued)**

The Group provides for credit losses against receivables from related parties, other receivables and cash and cash equivalents. The following tables contain an analysis of the credit risk exposure of each class of financial instruments for which an ECL allowance is recognised. The gross carrying amounts below also represents the Group's maximum exposure to credit risk on these assets as at 31 December 2019 and 31 December 2018:

Receivables from related parties

Company internal credit rating	2019 €	2018 €
Performing	1.655	3.000

Other receivables

Company internal credit rating	2019 €	2018 €
Performing	399.551	200.391

Cash and cash equivalents

	External credit rating	2019 €	2018 €
Performing	CCC-C	545.367	310.361

No significant changes to estimation techniques or assumptions were made during the reporting period.

- **Liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months, with the exception of borrowings, equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year €
At 31 December 2018	
Trade and other payables	109.207

	Less than 1 year €
At 31 December 2019	
Trade and other payables	131.774

6 Financial risk management (continued)

(ii) Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Refer to Note 7 for disclosures in relation to the fair value of investment property.

(iii) Offsetting financial assets and liabilities

The Group does not have any financial assets or financial liabilities that are subject to offsetting, enforceable master netting arrangements or any similar agreements.

7 Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

Estimates and judgements 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.

(i) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There were no 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.

7 Critical accounting estimates and judgements (continued)

(ii) Critical judgements in applying the Company's accounting policies

- **Revaluation of investment property**

For the revaluation of investment properties the Board of Directors relies on estimates from independent external professional valuers based on the provisions of IFRS 13 "Fair Value Measurement". IFRS 13 requires that the fair value of non-financial assets is calculated based on its highest and best use taking into account the use of the asset from the perspective of market participants which are:

- Physically possible - takes into account the physical characteristics of the asset which would be taken into account by market participants (for example, property location or size);
- Legally permissible - takes into account the legal restrictions on the asset's use which would be taken into account by market participants (for example, planning or zoning regulations); and
- Economically feasible to use - takes into account whether the use of the asset that is physically possible and legally permissible generates adequate income or cash flows (considering the cost of converting the asset for that use) to achieve a return on investment that market participants would require from an investment in a similar property through the specific use.

This reassessment requires significant judgement to determine the highest and best use.

If the Board of Directors considers that the criteria of IFRS 13 are met and that it can be reasonably assessed that the development of the project is economically feasible based on the current economic conditions, in addition to being physically possible and legally permissible, then the fair value of the investment property is determined on future cash inflows from the development of the project. The Board of Directors has assessed that, based on the criteria of IFRS 13 and taking into account the new economic conditions, it can be reasonably assessed that the highest and best use of these properties is their development as a real estate and tourism development project.

The main assumptions used to estimate the fair value of the investment properties are disclosed in Note: 12.

If the discount rate was 1% higher/lower than the independent external professional valuers' estimates, then the fair value of the investment property would have been €718.000/ €674.000 lower/higher. If the estimated average daily rate was 10% higher/lower than the independent external professional valuers' estimates, then the fair value of the investment property would have been €1.451.000 higher/lower. If the estimated occupancy rates was 10% higher/lower, then the fair value of the investment property would have been €1.466.000 higher/lower.

8 Other income

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Rental income	-	3.146

9 Other gains - net

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Investment property:		
Fair value gains (Note 12)	**286.348**	126.721

10 Expenses by nature

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Insurance	**10.000**	19.447
Auditors' remuneration	**22.500**	11.900
Property taxes	**94.447**	78.527
Professional fees	**67.408**	29.002
Bank charges	-	15.099
Other expenses	23.035	72.760
Total administrative expenses	217.390	226.735

11 Income tax expense

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Current tax:		
Defence contribution	-	1.587
Deferred tax (Note 17):		
Origination and reversal of temporary differences	71.587	51.785
Total deferred tax	71.587	51.785
Tax expense	71.587	53.372

The tax on the Group's profit/(loss) before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Profit/(loss) before tax	68.958	(96.868)
Tax calculated at the applicable corporation tax rate of 12.5%	20.356	(12.109)
Tax effect of expenses not deductible for tax purposes	1.781	1.587
Tax effect of allowances and income not subject to tax	(71.587)	-
Special contribution for defence	-	1.587
Tax effect of tax losses for which no deferred tax asset was recognised	49.450	10.522
Deferred tax on temporary differences	71.587	51.785
Income tax charge	71.587	53.372

The Company is subject to income tax on taxable profits at the rate of 12,5% .

The subsidiary registered in Greece is subject to corporation tax at the rate of 29% (2018: 29%).

From 1 January 2009 onwards, under certain conditions, interest may be exempt from income tax and be subject only to special contribution for defence at the rate of 10%; increased to 15% as from 31 August 2011, and to 30% as from 29 April 2013.

In certain cases dividends received from abroad may be subject to special contribution for defence at the rate of 15%; increased to 17% as from 31 August 2011; increased to 20% from 1 January 2012; reduced to 17% as from 1 January 2014. In certain cases dividends received from 1 January 2012 onwards from other Cyprus tax resident companies may also be subject to special contribution for defence.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon, etc) are exempt from Cyprus income tax.

12 Investment property

	2019 €	2018 €
At beginning of year/period	**6.550.000**	5.962.860
Additions	**353.652**	460.419
Fair value gains (Note 9)	**286.348**	126.721
At end of year/period	**7.190.000**	6.550.000

The Group's investment property is measured at fair value. Investment property includes a luxury 5-star Hotel unit in Thessaloniki. The Group received from Pepper Hellas Asset Management S.A., a consulting firm specialized in appraisals in the hospitality industry, an evaluation of the project as at 31 December 2019.

Valuation processes

The Group's finance department includes a team that review the valuations of investment properties at least every six months. This team reports directly to the Chief Financial Officer (CFO). Discussions in relation to the valuation process and results are held between the CFO and the Board of Directors at least once every six months. At each financial year end the finance department:

- verifies all major inputs and assumptions used for the valuation report;
- assesses property valuation movements when compared to the prior year valuation report; an
- holds discussions with the Board of Directors.

Changes in Level 2 and 3 fair values are analysed at each reporting date during the quarterly valuation discussions between the CFO and the valuation team. As part of this discussion, the team presents a report that explains the reasons for the fair value movements.

Information about fair value measurement using significant unobservable inputs (Level 3)

The main assumptions used were as follows:

Property	Valuation €	Discount rate %	Occupacy rates %	Average daily rate €
Hotel	7.190.000	9,25	80	150

13 Investments in subsidiaries

The Group's interests in its subsidiaries, all of which are unlisted, were as follows:

Name	Principal activity	Country of incorporation	2019 % holding	2018 % holding
ΟΛ.ΝΑ. ΑΝΩΝΥΜΗ ΞΕΝΟΔΟΧΕΙΑΚΗ ΚΑΙ ΤΟΥΡΙΣΤΙΚΗ ΕΤΑΙΡΕΙΑ - "ΟΛ.ΝΑ. ΑΞΤΕ"	Development of Tourism Real Estate projects	Greece	100	100

On 27 November 2017, the Company incorporated a 100% subsidiary namely ΟΛ.ΝΑ. ΑΞΤΕ for a total consideration of €9.500.000.

14 Financial assets

(a) Financial assets at amortised cost

	2019 €	2018 €
Receivables from related parties (Note 19(i))	1.655	3.000
Other receivables	399.551	200.391
Less: Loss allowance for debt investments at amortised cost	-	-
Financial assets at amortised cost - net	**401.206**	203.391

The fair value of the above financial assets at amortised cost approximate their carrying amounts.

The carrying amounts of the Company's financial assets at amortised cost are denominated in the following currencies:

	2019 €	2018 €
Euro - functional and presentation currency	401.206	203.391
	401.206	203.391

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial asset at amortised cost mentioned above. The Company does not hold any collateral as security.

(ii) Impairment and risk exposure

Note 6 sets out information about the impairment of financial assets and the company's exposure to credit risk.

15 Cash and cash equivalents

	2019 €	2018 €
Cash at bank	545.367	310.361

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Cash and bank balances	545.367	310.361

Cash and cash equivalents are denominated in the following currencies:

	2019 €	2018 €
Euro - functional and presentation currency	545.367	310.361

16 Share capital and share premium

	Number of shares	Share capital €	Share premium €	Total €
At 19 September 2017	-	-	-	-
Issue of share capital	4 100	4.100	7.048.900	7.053.000
At 31 December 2018/1 January 2019	4 100	4.100	7.048.900	7.053,000
Issue of shares	100	100	999.900	1.000.000
At 31 December 2019	4 200	4.200	8.048.800	8.053.000

The total authorized number of ordinary shares is 5.000 shares (2018: 5.000 shares) with a par value of €1 per share. 4.200 shares (2018: 4.100 shares) are fully paid amounting to €4.200 (2018: €4.100).

On incorporation, 3.000 shares were issued with a par value of €1 per share. Subsequently, on 27 November 2017, additional 1.000 shares were issued with a par value of €1 per share at a premium of €6.048 per share amounting to €6.049.000.

On 8 March 2018, an additional 100 shares were issued with a par value of €1 per share at a premium of €9.999 per share amounting to €999.900.

On 5 August 2019, an additional 100 shares were issued with a par value of €1 per share at a premium of €9.999 per share amounting to €999.900.

17 Deferred income tax liability

The gross movement on the deferred income tax account is as follows:

Deferred tax liability

	Revaluation of land €
At 19 September 2017	-
Charged to:	
Profit or loss (Note 11)	51.785
At 31 December 2018/1 January 2019	51.785
Charged to:	
Profit or loss (Note 11)	71.587
At 31 December 2019	123.372

18 Trade and other payables

	2019 €	2018 €
Trade payables	62.858	16.096
Payables to related parties (Note 19(i))	18.185	16.247
Other payables and accrued expenses	50.731	76.864
Total financial payables within trade and other payables at amortised cost	131.774	109.207

The fair value of trade and other payables which are due within one year approximates their carrying amount at the balance sheet date.

19 Related party transactions

The Company is jointly controlled by Grivalia Hospitality S.A., incorporated in Luxembourg and owning 65% of share capital, and Macedonian Hotels S.A., incorporated in Grecce and owning the remaining 35% of share capital.

Grivalia Hospitality S.A. is jointly controlled by Eurobank Ergasias S.A. (25%), Eurolife ERB Insurance Group (25%), M&G investments (50%).

Macedonian Hotels S.A. is controlled by Constantinos Tornivoukas.

The following transactions were carried out with related parties:

(i) Year-end balance

	2019	2018
	€	€
Receivables from related parties (Note 14):		
Other related parties	**1.655**	3.000
Payables to related parties (Note 18):		
Parent entity	**18.185**	16.247

The above balances bear no interest and are repayable on demand.

20 Events after the balance sheet date

With the recent and rapid development of the COVID-19 outbreak, the world economy entered a period of unprecedented health care crisis that has already caused considerable global disruption in business activities and everyday life. Many countries have adopted extraordinary and economically costly containment measures. Certain countries have required companies to limit or even suspend normal business operations. Governments have imposed travel restrictions along with strict quarantine measures. Industries such as construction, tourism, hospitality and leisure and entertainment are expected to be directly affected by the above measures.

The economic impact of the current crisis on the global economy and overall business activities cannot be reliably evaluated at this stage. The situation is still evolving and therefore there is high level of uncertainty emanating from the inability to reliably predict the impact of the crisis.

The current economic conditions internationally could negatively affect the Group in terms of (1) the cash flow forecasts of management (2) the ability of trade and other debtors to settle the amounts due, and (3) the fair values of investment properties.

From the analysis carried out by Management, for the cash flow forecasts, no liquidity needs have been identified and / or does not appear that the situation will cause going concern issues to the Group. The Group have no external borrowings and has enough cash balance to cover current liabilities. Additionally, no disruption or delay has been caused on the construction Group's project.

Management will continue to monitor the situation closely and assess additional measures as a contingency plan in case the period of disruption is extended.

There were no other material events after the balance sheet date, which have a bearing on the understanding of the consolidated financial statements.

Olympos Naoussa Holdings Limited

Independent Auditor's Report on pages 2 to 4.

Olympos Naoussa Holdings Limited

Report and financial statements
31 December 2019

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Olympos Naoussa Holdings Limited

Board of Directors and other officers

Board of Directors

Panagiotis Aristeidis Varfis (resigned 23/05/2019)
Stefanos Dionysios Vlastos (resigned 23/05/2019)
Christina Tornivouka
Anna Economou
NAP Directors

Company Secretary

NAP Secretarial Ltd
10 Giannou Kranidioti Street,
Nice Day House, 6th Floor, Flat 602
1065, Nicosia
Cyprus

Registered office

10 Giannou Kranidioti Street
Nice Day House, 6th Floor
1065, Nicosia
Cyprus

pwc

Independent Auditor's Report

To the Members of Olympos Naoussa Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of parent company Olympos Naoussa Holdings Limited (the "Company"), which are presented on pages 5 to 25 and comprise the balance sheet as at 31 December 2019, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended 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.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Theodoros Stylianou
Certified Public Accountant and Registered Auditor
for and on behalf of

PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

Limassol, 14 September 2020

Olympos Naoussa Holdings Limited

Statement of comprehensive income for the year ended 31 December 2019

	Note	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Administrative expenses	8	(17.975)	(20.956)
Loss before income tax		**(17.975)**	(20.956)
Income tax expense	9	-	-
Loss and total comprehensive loss for the year/period		(17.975)	(20.956)

The notes on pages 9 to 25 are an integral part of these financial statements.

Olympos Naoussa Holdings Limited

Balance sheet
at 31 December 2019

	Note	2019 €	2018 €
Assets			
Non-current assets			
Investment in subsidiary	10	9.500.000	9.500.000
Current assets			
Financial assets at amortised cost	11	3.000	3.000
Cash and cash equivalents	12	24.175	42.193
		27.175	45.193
Total assets		9.527.175	9.545.193
Equity and liabilities			
Capital and reserves			
Share capital	13	4.200	4.100
Share premium	13	8.048.800	7.048.900
Accumulated losses		(38.931)	(20.956)
Total equity		8.014.069	7.032.044
Current liabilities			
Other payables	14	1.513.106	2.513.149
Total equity and liabilities		9.527.175	9.545.193

On 14 September 2020 the Board of Directors of Olympos Naoussa Holdings Limited authorised these financial statements for issue.

Christina Tornivouka, Director

Anna Economou, Director

The notes on pages 9 to 25 are an integral part of these financial statements.

Olympos Naoussa Holdings Limited

Statement of changes in equity
for the year ended 31 December 2019

	Note	Share capital €	Share premium €	Accumulated losses €	Total €
Balance at 19 September 2017		-	-	-	-
Comprehensive loss					
Loss for the period		-	-	(20.956)	(20.956)
Transactions with owners					
Issue of shares	13	4.100	7.048.900	-	7.053.000
Total transactions with owners		4.100	7.048.900	-	7.053.000
Balance at 31 December 2018/1 January 2019		4.100	7.048.900	(20.956)	7.032.044
Comprehensive loss					
Loss for the year		-	-	(17.975)	(17.975)
Transactions with owners					
Issue of shares	13	100	999.900	-	1.000.000
Total transactions with owners		100	999.900	-	1.000.000
Balance at 31 December 2019		4.200	8.048.800	(38.931)	8.014.069

The notes on pages 9 to 25 are an integral part of these financial statements.

Olympos Naoussa Holdings Limited

Statement of cash flows
for the year ended 31 December 2019

	Note	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Cash flows from operating activities			
Loss before income tax		**(17.975)**	(20.956)
Changes in working capital:			
Other receivables		-	(3.000)
Other payables		(1.000.043)	13.149
Net cash used in operating activities		**(1.018.018)**	(10.807)
Cash flows from investing activities			
Acquisition of subsidiary		-	(7.000.000)
Net cash used in investing activities		-	(7.000.000)
Cash flows from financing activities			
Issuance of share capital	13	**1.000.000**	7.053.000
Net cash from financing activities		**1.000.000**	7.053.000
Net (decrease)/increase in cash and cash equivalents		**(18.018)**	42.193
Cash and cash equivalents at beginning of year/period		**42.193**	-
Cash and cash equivalents at end of year/period	12	**24.175**	42.193

The notes on pages 9 to 25 are an integral part of these financial statements.

Notes to the financial statements

1 General information

Country of incorporation

The Company is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 10 Giannou Kranidioti Street, Nice Day House, 6th Floor, 1065, Nicosia, Cyprus.

Principal activities

The principal activity of the Company, which is unchanged from last year, is the holding of investments.

2 Basis of preparation

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

As of the date of the authorization of the financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2019 and are relevant to the Company's operations have been adopted by the EU through the endorsement procedure established by the European Commission.

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS 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. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 7.

The Company has prepared consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union for the Company and its subsidiaries. The consolidated financial statements may be obtained from the Company's registered office at 10 Giannou Kranidioti Street, Nice Day House, 6th Floor, 1065, Nicosia, Cyprus.

2 Basis of preparation (continued)

Going concern

The loss of the Company for the year ended 31 December 2019 was €17.975. As at 31 December 2019 the current liabilities of the Company exceeded its current assets by €1.485.931. Out of the total current liabilities of €1.513.106 at the end of the year, €1.500.00 is payable to the Company's subsidiary (Note 15(ii)). The balance payable to the subsidiary is repayable on demand and the subsidiary has undertaken not to demand repayment by the Company unless there are available funds and will enable the Company to conduct its operations and meet its obligations as they become due.

3 Adoption of new or revised standards and interpretations

During the current year 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 1 January 2019. This adoption did not have a significant effect on the accounting policies of the Company.

4 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Foreign currency translation

(i) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

All foreign exchange gains and losses are presented in profit or loss within "other gains/(losses) – net".

Current and deferred income tax

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

4 Summary of significant accounting policies (continued)

Current and deferred income tax (continued)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which 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. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Company where there is an intention to settle the balances on a net basis.

Impairment of non-financial assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment or more frequently if events and changes in circumstances indicate that they might be impaired. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

Financial assets - Classification

The Company classifies its financial assets in those to be measured at amortised cost.

4 Summary of significant accounting policies (continued)

Financial assets (continued)

Financial assets - Classification (continued)

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Debt instruments

The subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments as follows:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in "other income". Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other gains/(losses)" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the income statement. The Company's financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, receivables from related parties and financial assets at amortised cost.

4 Summary of significant accounting policies (continued)

Financial assets (continued)

Financial assets – impairment – credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments measured at amortised cost and FVOCI. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'net impairment losses on financial and contract assets'.Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments measured at amortised cost are presented in the balance sheet net of the allowance for ECL.

Expected losses are recognized and measured according to one of two approaches: general approach or simplified approach.

The Company applies general approach – three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to Note 6, Credit risk section for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company definition of credit impaired assets and definition of default is explained in Note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to Note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets - Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

4 Summary of significant accounting policies (continued)

Financial assets (continued)

Financial assets – write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets – modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset or change in the currency denomination.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

4 Summary of significant accounting policies (continued)

Financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. These are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Financial liabilities – measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost.

Other payables

Other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Investment in subsidiary

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity

Investments in subsidiaries are measured at cost less impairment. Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the estimates used to determine the recoverable amount

4 Summary of significant accounting policies (continued)

Transactions with equity owners/subsidiaries

The Company enters into transactions with shareholders and subsidiaries. When consistent with the nature of the transaction, the Company's accounting policy is to recognise (a) any gains or losses with equity holders and other entities which are under the control of the ultimate shareholder, directly through equity and consider these transactions as the receipt of additional capital contributions or the payment of dividends; and (b) any losses with subsidiaries as cost of investment in subsidiaries. Similar transactions with non-equity holders or subsidiaries, are recognised through the profit or loss.

Share capital and share premium

Ordinary shares and share premium are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5 New accounting pronouncements

At the date of approval of these financial statements a number of new standards interpretations and amendments to existing standards are effective for annual periods beginning after 1 January 2019, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company.

6 Financial risk management

(i) Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk.

- **Credit risk**

Credit risk arises from cash and cash equivalents.

(i) Risk management

Credit risk is managed on an individual basis. For banks and financial institutions, independently rated parties with a satisfactory credit rating are preferred.

(ii) Impairment of financial assets

The Company has two types of financial assets that are subject to the expected credit loss model:

- financial assets at amortised cost (receivables from related parties) ; and
- cash and cash equivalents

Debt instruments

Financial assets at amortised cost and cash and cash equivalents

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increases in credit risk on other financial instruments of the same counterparty
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparty in the group and changes in the operating results of the counterparty.

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6 Financial risk management (continued)

(i) Financial risk factors (continued)

- **Credit risk (continued)**

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Company uses the following categories for receivables from related parties and cash and cash equivalents which reflect their credit risk and how the loss provision is determined for each of those categories.

A summary of the assumptions underpinning the Company's expected credit loss model is as follows:

Category	**Company definition of category**	**Basis for recognition of expected credit loss provision**	**Basis for calculation of interest revenue**
Performing	Counterparties where credit risk is in line with original expectations	Stage 1: 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
Underperforming	Counterparties for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due (see above in more detail)	Stage 2: Lifetime expected losses	Gross carrying amount
Non-performing	Interest and/or principal repayments are 90 days past due or it becomes probable a customer will enter bankruptcy	Stage 3: Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)
Write-off	Interest and/or principal repayments are 180 days past due and there is no reasonable expectation of recovery.	Asset is written off	None

6 Financial risk management (continued)

(i) Financial risk factors (continued)

- **Credit risk (continued)**

The Company has no financial assets which are subject to the impairment requirements of IFRS 9 and which have had modifications to their contractual cash flows.

Over the term of receivables from related parties, the Company accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Company considers historical loss rates for each category of customers, and adjusts for forward looking macroeconomic data.

The Company provides for credit losses against receivables from related parties and cash and cash equivalents. The following tables contains an analysis of the credit risk exposure of each class of financial instruments for which an ECL alloance is recognised. The gross carrying amounts below also represents the Company's maximum exposure to credit risk on these assets as at 31 December 2019 and 31 December 2018.

Receivables from related parties

Company internal credit rating	2019 €	2018 €
Performing	3.000	3.000
Total receivables from related parties	**3.000**	3.000

Cash and cash equivalents

	External credit rating	2019 €	2018 €
Performing (Stage 1)	Caa1	24.175	-
Performing (Stage 1)	Caa2	-	42.193
Total cash and cash equivalents		24.175	42.193

No significant changes to estimation techniques or assumptions were made during the reporting period.

- **Liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months, with the exception of borrowings, equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year €
At 31 December 2018	
Other payables	2.513.149

	Less than 1 year €
At 31 December 2019	
Other payables	1.513.106

6 Financial risk management (continued)

(ii) Fair value estimation

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The fair value of financial assets and liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available for similar financial instruments.

7 Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

Estimates and judgements 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.

(i) Critical accounting estimates and assumptions

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

- **Impairment of investment in subsidiary**

The Company follows the guidance of IAS 36 "Impairment of assets" to determine whether investment in subsidiary is impaired. The Company reviews the carrying value for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

At 31 December 2019, Management assessed whether the Company's investment in subsidiary has suffered any impairment, in accordance with the accounting policy stated in Note 4. The recoverable amount of the investment in subsidiary as at 31 December 2019 has been determined by Management using the net asset valuation method. Following the impairment assessment, no impairment charge was considered necessary for the investment in subsidiary.

The main asset held by the Company's subsidiary is its investment property which is measured at fair value, for which the Board of Directors relies on estimates from an independent external professional valuation.

The fair value of the investment property is €7.190.000 and the main assumptions are as follows:

- Discount rate: 9,25%
- Occupancy rates: 80%
- Average daily rate: 150

7 Critical accounting estimates and judgements (continued)

(i) Critical accounting estimates and assumptions (continued)

- **Impairment of investment in subsidiary (continued)**

If the discount rate was 1% higher/lower than the independent external professional valuers' estimates, then the fair value of the investment property would have been €718.000/ €674.000 lower/higher. If the estimated average daily rate was 10% higher/lower than the independent external professional valuers' estimates, then the fair value of the investment property would have been €1.451.000 higher/lower. If the estimated occupancy rates was 10% higher/lower, then the fair value of the investment property would have been €1.466.000 higher/lower.

8 Expenses by nature

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Auditors' remuneration	11.500	11.900
Professional fees	2.925	6.056
Bank charges	134	82
Unrecoverable VAT	2.749	1.129
Other administration expenses	667	1.789
Total administrative expenses	17.975	20.956

9 Income tax expense

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

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Loss before tax	(17.975)	(20.956)
Tax calculated at the applicable corporation tax rate of 12.5%	(2.247)	(2.620)
Tax effect of expenses not deductible for tax purposes	1.781	904
Tax effect of tax losses for which no deferred tax asset was recognised	466	1.716
Income tax charge	-	-

The Company is subject to income tax on taxable profits at the rate of 12,5% .

9 Income tax expense (continued)

Brought forward losses of only five years may be utilised. As at 31 December 2019, the Company had tax losses carried forward amounting to €27.249 (2018: €13.726), for which no deferred tax asset has been recognised as it is not certain whether the asset will be utilised.

10 Investment in subsidiary

	2019 €	2018 €
At beginning of year/period	9.500.000	-
Additions	-	9.500.000
At end of year/period	**9.500.000**	9.500.000

The Company's interest in its subsidiary, which is unlisted, was as follows:

Name	**Principal activity**	**Country of incorporation**	**2019 % holding**	**2018 % holding**
ΟΛ.ΝΑ. ΑΝΩΝΥΜΗ ΞΕΝΟΔΟΧΕΙΑΚΗ ΚΑΙ ΤΟΥΡΙΣΤΙΚΗ ΕΤΑΙΡΕΙΑ - "ΟΛ.ΝΑ. ΑΞΤΕ"	Development of Tourism Real Estate projects	Greece	100	100

On 27 November 2017, the Company incorporated a 100% subsidiary namely ΟΛ.ΝΑ. ΑΞΤΕ for a total consideration of €9.500.000.

11 Financial assets

(a) Financial assets at amortised cost

	2019 €	2018 €
Receivables from shareholders (Note 15(i))	3.000	3.000
Total current	3.000	3.000
Less: Loss allowance for debt investments at amortised cost	-	-
Financial assets at amortised cost - net	3.000	3.000

The fair value of the above financial asset at amortised cost approximates its carrying value.

The carrying amounts of the Company's financial assets at amortised cost are denominated in Euros.

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial asset at amortised cost mentioned above. The Company does not hold any collateral as security.

12 Cash and cash equivalents

	2019 €	2018 €
Cash at bank	24.175	42.193

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	2019 €	For the period from 19 September 2017 to 31 December 2018 €
Cash and bank balances	24.175	42.193

Cash and cash equivalents are denominated in the following currencies:

	2019 €	2018 €
Euro - functional and presentation currency	24.175	42.193

13 Share capital and share premium

	Number of shares	Share capital €	Share premium €	Total €
At 19 September 2017	-	-	-	-
Issue of share capital	4 100	4.100	7.048.900	7.053.000
At 31 December 2018/1 January 2019	4 100	4.100	7.048.900	7.053.000
Issue of share capital	100	100	999.900	1.000.000
At 31 December 2019	4 200	4.200	8.048.800	8.053.000

The total authorized number of ordinary shares is 5.000 shares (2018: 5.000 shares) with a par value of €1 per share. 4.200 shares (2018: 4.100 shares) are fully paid amounting to €4.200 (2018: €4.100).

On incorporation, 3.000 shares were issued with a par value of €1 per share. Subsequently, on 27 November 2017, additional 1.000 shares were issued with a par value of €1 per share at a premium of €6.048 per share amounting to €6.049.000

On 8 March 2018, an additional 100 shares were issued with a par value of €1 per share at a premium of €9.999 per share amounting to €999.900.

On 5 August 2019, an additional 100 shares were issued with a par value of €1 per share at a premium of €9.999 per share amounting to €999.900.

14 Other payables

	2019 €	2018 €
Payables to related parties (Note 15(i))	1.500.777	2.500.392
Accrued expenses	12.329	12.757
Total trade and other payables at amortised cost	1.513.106	2.513.149

The fair value of trade and other payables which are due within one year approximates their carrying amount at the balance sheet date.

15 Related party transactions

The Company is jointly controlled by Grivalia Hospitality S.A., incorporated in Luxembourg and owning 65% of share capital, and Macedonian Hotels S.A., incorporated in Grecce and owning the remaining 35% of share capital.

The following transactions were carried out with related parties:

(i) Year/ Period-end balances

	2019 €	2018 €
Receivables from related parties (Note 11(a)):		
Parent Entity	3.000	3.000
Payables to related parties (Note 14):		
Parent Entity	385	-
Subsidiary	1.500.000	2.500.000
Common controlled entity	392	392
	1.500.777	2.500.392

The above balances bear no interest and are repayable on demand.

16 Events after the balance sheet date

With the recent and rapid development of the COVID-19 outbreak, the world economy entered a period of unprecedented health care crisis that has already caused considerable global disruption in business activities and everyday life. Many countries have adopted extraordinary and economically costly containment measures. Certain countries have required companies to limit or even suspend normal business operations. Governments have imposed travel restrictions along with strict quarantine measures. Industries such as construction, tourism, hospitality and leisure and entertainment are expected to be directly affected by the above measures.

The economic impact of the current crisis on the global economy and overall business activities cannot be reliably evaluated at this stage. The situation is still evolving and therefore there is high level of uncertainty emanating from the inability to reliably predict the impact of the crisis. .

The current economic conditions internationally could negatively affect the Company in terms of (1) the cash flow forecasts of management (2) the ability of trade and other debtors to settle the amounts due, and (3) the fair value of investment property of the subsidiary.

16 Events after the balance sheet date (continued)

From the analysis carried out by Management, for the cash flow forecasts, no liquidity needs have been identified and / or does not appear that the situation will cause going concern issues to the Company.

Management will continue to monitor the situation closely and assess additional measures as a contingency plan in case the period of disruption is extended.

There were no other material events after the balance sheet date, which have a bearing on the understanding of the financial statements.

Independent Auditor's Report on pages 2 to 4.