SINGLE PURPOSE VEHICLE ONE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 December 2017

SINGLE PURPOSE VEHICLE ONE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 December 2017

C O N T E N T S

SINGLE PURPOSE VEHICLE ONE LIMITED

OFFICERS AND PROFESSIONAL ADVISORS

Board of Directors	NAP Directors Ltd Dolphin Capital Partners Ltd
Secretary	NAP Secretarial Ltd
Independent auditors	KPMG Limited 14 Esperidon Street 1087 Nicosia Cyprus
Legal advisors	N. Papageorgiou LLC
Banker	Bank of Cyprus Public Company Ltd
Registered office	10 G. Kranidioti street Nice Day House, 6th floor P.C. 1065 Nicosia Cyprus

KPMG Limited
Chartered Accountants
14 Esperidon Street, 1087 Nicosia, Cyprus
P.O. Box 21121, 1502 Nicosia, Cyprus
T: +357 22 209000, F: +357 22 678200

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SINGLE PURPOSE VEHICLE ONE LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Single Purpose Vehicle One Limited (the "Company") which are presented on pages 5 to 18 and comprise the statement of financial position as at 31 December 2017, and the statements of profit or loss and other 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 financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and the requirements of the Cyprus Companies Law, Cap. 113, as amended from time to time (the "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 *"Auditors' responsibilities for the audit of the financial statements"* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants ("IESBA Code"), and the ethical requirements in Cyprus that are relevant to our audit of the financial statements, 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 IFRS-EU and the requirements of the 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 there is an intention to either liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 auditors' 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 auditors' 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 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, L.53(I)/2017, as amended from time to time, 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.

Haris A. Kakoullis, CPA
Certified Public Accountant and Registered Auditor
for and on behalf of

KPMG Limited
Certified Public Accountants and Registered Auditors

14 Esperidon Street
1087 Nicosia
Cyprus

11 April 2018

SINGLE PURPOSE VEHICLE ONE LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Note	2017 €	2016 €
Revenue	4	871.936	860.711
Amount written off from related company	11	(23.628)	-
Impairment of investment in subsidiary	8	(54.000.000)	-
Administrative expenses	5	(160.975)	(185.215)
Interest expense	11	(1.496.630)	(1.498.603)
Operating loss		(54.809.297)	(823.107)
Finance income		1.651	3.773
Finance expenses		(2.883)	(2.709)
Net finance (expenses)/income	6	(1.232)	1.064
Loss before tax		(54.810.529)	(822.043)
Taxation	7	(273)	-
Loss for the year		(54.810.802)	(822.043)
Other comprehensive income		-	-
Total comprehensive income for the year		(54.810.802)	(822.043)

The notes on pages 9 to 18 are an integral part of these financial statements.

SINGLE PURPOSE VEHICLE ONE LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Note	2017 €	2016 €
ASSETS			
Investment in subsidiary	8	4.777.400	56.777.400
Total non-current assets		4.777.400	56.777.400
Loans to subsidiary	11	33.751.781	31.264.545
Receivable from subsidiary	11	-	17.647
Receivable from related company	11	-	23.628
Refundable tax	10	53.614	57.362
Cash and cash equivalents		301	150.172
Total current assets		33.805.696	31.513.354
Total assets		38.583.096	88.290.754
EQUITY			
Share capital	9	23.025	23.025
Reserves		(35.086.998)	19.723.804
Total equity		(35.063.973)	19.746.829
LIABILITIES			
Loan from parent company	11	70.664.632	65.474.802
Total non-current liabilities		70.664.632	65.474.802
Payable to related company	11	31.899	31.549
Payable to parent company	11	2.547.558	2.547.558
Accruals		402.980	490.016
Total current liabilities		2.982.437	3.069.123
Total liabilities		73.647.069	68.543.925
Total equity and liabilities		38.583.096	88.290.754

On 1st April 2018, the Board of Directors of Single Purpose Vehicle One Limited authorised these financial statements for issue.

DOLPHIN CAPITAL PARTNERS LTD

....
Director

MAP DIRECTORS LTD

....
Director

The notes on pages 9 to 18 are an integral part of these financial statements.

SINGLE PURPOSE VEHICLE ONE LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2017

	Share capital €	Share premium €	Accumulated losses €	Total €
Balance at 1 January 2016	23.025	22.606.523	(2.060.676)	20.568.872
Loss for the year	-	-	(822.043)	(822.043)
Total comprehensive income for the year	-	-	(822.043)	(822.043)
Balance at 31 December 2016	23.025	22.606.523	(2.882.719)	19.746.829
Balance at 1 January 2017	23.025	22.606.523	(2.882.719)	19.746.829
Loss for the year	-	-	(54.810.802)	(54.810.802)
Total comprehensive income for the year	-	-	(54.810.802)	(54.810.802)
Balance at 31 December 2017	23.025	22.606.523	(57.693.521)	(35.063.973)

Share premium is the amount of capital received from shareholders in excess of par value. The reserve is not distributable.

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during 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 at 17% will be payable on such deemed dividend to the extent that the ultimate shareholders at the end of the period of two years from the end of the year of assessment to which the profits refer are both Cyprus tax resident and Cyprus domiciled. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the company for the account of the shareholders.

SINGLE PURPOSE VEHICLE ONE LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	2017	2016
	€	€
Cash flows from operating activities		
Loss for the year	(54.810.802)	(822.043)
Adjustments for:		
Exchange profit	(740)	(3.773)
Impairment charge - investment in subsidiary	54.000.000	-
Interest income	(872.847)	(860.711)
Interest expense	1.496.630	1.498.603
Taxation	273	-
Cash flows used in operations before working capital changes	(187.486)	(187.924)
Decrease in receivable from subsidiary	17.647	-
Decrease/(increase) in receivable from related company	23.628	(3.114)
(Decrease)/increase in accruals	(86.296)	187.755
Increase in payable to related company	350	256
Taxation refunded	3.478	-
Net cash flows used in operating activities	(228.679)	(3.027)
Cash flows from investing activities		
Payments for acquisition of investment in subsidiary	(1.373.303)	-
Loan granted	(2.910.000)	(2.049.600)
Loan repayment received	668.000	2.886.000
Interest received	911	-
Net cash flows (used in)/from investing activities	(3.614.392)	836.400
Cash flows from financing activities		
Repayment of loan from parent company	(669.000)	(2.735.799)
Loan granted from parent company	4.362.200	2.049.200
Net cash flows from/(used in) financing activities	3.693.200	(686.599)
Net (decrease)/increase in cash and cash equivalents	(149.871)	146.774
Cash and cash equivalents at the beginning of the year	150.172	3.398
Cash and cash equivalents at the end of the year	301	150.172

Cash and cash equivalents are defined by:

Cash at bank	301	150.172

SINGLE PURPOSE VEHICLE ONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

1. INCORPORATION AND PRINCIPAL ACTIVITY

Single Purpose Vehicle One Limited (the "Company") was incorporated in Cyprus on 4 November 2006 as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its registered office is at 10 G. Kranidioti street, Nice Day House, 6th floor, P.C. 1065 Nicosia, Cyprus. The Company's principal activity, during the year, was the acquisition and holding of investments, the provision of consultancy services and the extension of loans to related companies.

2. BASIS OF PREPARATION

(a) Statement of compliance
The financial statements 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.

The Company, at the end of its financial year, has subsidiary undertakings and it is required by article 142 (1)(b) of the Cyprus Companies Law, Cap. 113, to prepare consolidated financial statements and submit them before the Company at a General Meeting. However, no consolidated financial statements have been prepared, since the Company is itself a subsidiary and its ultimate parent produces consolidated financial statements that comply with IFRS, and according to the provisions in IFRS 10, the Company is exempt from this obligation.

(b) Basis of measurement
The financial statements have been prepared under the historical cost convention.

(c) Adoption of new and revised Standards and Interpretations
During the current year, the Company adopted all changes to IFRS that are relevant to its operations and are effective for accounting periods beginning on 1 January 2017. This adoption did not have a material effect on the financial statements of the Company.

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

(d) Use of estimates and judgements
The preparation of financial statements in accordance with IFRS requires from Management the exercise of judgment, to make estimates and assumptions that influence the application of accounting principles and the related amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on knowledge available at that time. Actual results may deviate from such estimates.

The estimates and underlying assumptions are revised on a continuous basis. Revisions in accounting estimates are recognised in the period during which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects the present as well as future periods.

2. BASIS OF PREPARATION (continued)

(d) Use of estimates and judgements (continued)

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

- Provision for bad and doubtful debts
  The Company reviews its trade and other receivables for evidence of their recoverability. Such evidence includes the customer's payment record and the customer's overall financial position. If indications of irrecoverability exist, the recoverable amount is estimated and a respective provision for bad and doubtful debts is made. The amount of the provision is charged through the profit or loss. The review of credit risk is continuous and the methodology and assumptions used for estimating the provision are reviewed regularly and adjusted accordingly.

- Income taxes
  Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- Impairment of investments in subsidiaries
  The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Impairment indicators are factors such as the reduction in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of the assets is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the recognisable future cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

(e) Functional and presentation currency
The financial statements are presented in Euro (€), which is the functional currency of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently for all the years presented in these financial statements and in stating the financial position of the Company.

Subsidiary company
Investment in subsidiary company is stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Rendering of services
Sales of services are recognised in the accounting period in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest income
Interest income is recognised on a time-proportion basis using the effective interest method.

Finance expenses
Interest expense and other borrowing costs are recognised to profit or loss using the effective interest method.

Taxation
Tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date. Current taxation includes any adjustments to tax payable in respect of previous periods.

Loans granted
Loans originated by the Company by providing money directly to the borrower are categorised as loans and are carried at amortised cost. The amortised cost is the amount at which the loan granted is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. All loans are recognised when cash is advanced to the borrower.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Borrowings
Borrowings are recorded initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

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

Comparatives
Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

SINGLE PURPOSE VEHICLE ONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

4. REVENUE

	2017	2016
	€	€
Interest income (Note 11(ii))	871.936	860.711
	871.936	860.711

5. ADMINISTRATIVE EXPENSES

	2017	2016
	€	€
Auditors' remuneration	1.850	2.755
Accounting fees	920	920
Other professional fees	800	800
Accommodation expenses	156.377	179.900
Irrecoverable VAT	678	504
Other expenses	350	336
	160.975	185.215

6. FINANCE (EXPENSES)/INCOME

	2017	2016
	€	€
Interest on taxation	911	-
Exchange profit	740	3.773
Finance income	1.651	3.773
Bank charges	(2.883)	(2.709)
Finance expenses	(2.883)	(2.709)
Net finance expenses/(income)	(1.232)	1.064

7. TAXATION

	2017	2016
	€	€
Defence contribution	273	-
Charge for the year	273	-

SINGLE PURPOSE VEHICLE ONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

7. TAXATION (continued)

Reconciliation of taxation based on taxable income and taxation based on accounting losses:

	2017 €	2016 €
Accounting loss before tax	(54.810.529)	(822.043)
Taxation calculated at the applicable tax rates	(6.851.316)	(102.755)
Tax effect of expenses not deductible for tax purposes	6.847.678	112.001
Tax effect of allowances and income not subject to tax	(207)	(472)
Tax effect of notional income on receivables from related companies	167	155
Tax effect of group tax relief for the year	-	(8.929)
Tax effect of tax loss for the year	3.678	-
Defence tax for the year	273	-
Taxation as per statement of profit or loss and other comprehensive income - charge	273	-

The corporation tax rate is 12,5%.

Under certain conditions, interest income may be subject to defence contribution at the rate of 30%. In such cases, this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Tax losses may be carried forward for five years until their final write off.

8. INVESTMENT IN SUBSIDIARY

	2017 €	2016 €
Balance at 1 January	56.777.400	56.777.400
Additions	2.000.000	-
Impairment charge	(54.000.000)	-
Balance at 31 December	4.777.400	56.777.400

The details of the subsidiary are as follows:

Name	Country of incorporation	Principal activities	Holding %
Eidikou Skopou 14 S.A.	Greece	Investments in properties	100

9. SHARE CAPITAL

	2017 Number of shares	2017 €	2016 Number of shares	2016 €
Authorised				
Ordinary shares of €1 each	25.000	25.000	25.000	25.000
Issued and fully paid				
Ordinary shares of €1 each	23.025	23.025	23.025	23.025

10. REFUNDABLE TAX

	2017 €	2016 €
Corporation tax	53.614	57.362
	53.614	57.362

11. RELATED PARTY TRANSACTIONS

The Company is controlled by DolphinCI Fourteen Limited, a company registered in Cyprus. The Company's ultimate parent is Dolphin Capital Investors Limited, a company registered in the British Virgin Islands and listed in the AIM Market of the London Stock Exchange.

The transactions and balances with related parties are as follows:

(i) Receivable from subsidiary

Name	Nature of transactions	2017 €	2016 €
Eidikou Skopou 14 S.A.	Finance	-	17.647
		-	17.647

11. RELATED PARTY TRANSACTIONS (continued)

(ii) Loans to subsidiary

	2017 €	2016 €
Name		
Eidikou Skopou 14 S.A.	33.751.781	31.264.545
	33.751.781	31.264.545

The three loans granted to the subsidiary company, Eidikou Skopou 14 S.A., bear an annual rate of interest of twelve (12) month EURIBOR plus 2,70% and are repayable in January 2019, December 2020 and July 2022. Total interest income on the above loans for the year amounted to €871.936 (2016: €860.711).

(iii) Receivable from related company

Name	Nature of transactions	2017 €	2016 €
DCI Holdings Five Limited	Trade	-	23.628
		-	23.628

During 2017, DCI Holdings Five Limited was striken off and the receivable amount of €23.628 was written off to profit or loss.

(iv) Payable to parent company

Name	Nature of transactions	2017 €	2016 €
DolphinCI Fourteen Limited	Finance	2.547.558	2.547.558
		2.547.558	2.547.558

(v) Payable to related company

Name	Nature of transactions	2017 €	2016 €
Dolphin Capital Investors Limited	Finance	31.899	31.549
		31.899	31.549

11. RELATED PARTY TRANSACTIONS (continued)

(vi) Loan from parent company

	2017	2016
	€	€
DolphinCI Fourteen Limited	70.664.632	65.474.802
	70.664.632	65.474.802

DolphinCI Fourteen Limited provided a loan to the Company, which bears an annual rate of interest of twelve (12) month EURIBOR plus 2,45% and is payable in December 2020. Total interest expense on the above loan for the year amounted to €1.496.630 (2016: €1.498.603).

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk factors

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market price risk
- Interest rate risk

The risk management policy applied by the Company for the risks described is set out below:

(i) Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company has no significant concentration of credit risk, except from the amounts and loans with related companies. As at 31 December 2017, cash balances are held with a financial institution with a Moody's credit rating of Caa1.

(ii) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

SINGLE PURPOSE VEHICLE ONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) Liquidity risk (continued)

The following are the contractual maturities of financial liabilities, including estimated interest payments:

31 December 2017	Carrying amounts €	Contractual cash flows €	Within one year €	Between 1-5 years €
Payable to parent company	2.547.558	(2.547.558)	(2.547.558)	-
Payable to related company	31.899	(31.899)	(31.899)	-
Loan from parent company	70.664.632	(75.186.583)	-	(75.186.583)
	73.244.089	(77.766.040)	(2.579.457)	(75.186.583)

31 December 2016	Carrying amounts €	Contractual cash flows €	Within one year €	Between 1-5 years €
Payable to parent company	2.547.558	(2.547.558)	(2.547.558)	-
Payable to related company	31.549	(31.549)	(31.549)	-
Loan from parent company	65.474.802	(71.142.137)	-	(71.142.137)
	68.053.909	(73.721.244)	(2.579.107)	(71.142.137)

(iii) Market price risk

Market price risk is the risk that the value of the shares of the subsidiary will fluctuate as a result of changes in market prices. Since the purpose of the subsidiary is the direct or indirect investments in land and other properties, the risk of decline in the value of shares is connected with the risks of this industry sector. The Company's management monitors any developments in property values on a continuous basis and acts accordingly.

(iv) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk in regards to the loans granted to related parties and loans received from related parties. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

Sensitivity analysis

An increase of 100 basis points in interest rates at 31 December 2017 would have increased equity and profit or loss by €296.271 (2016: €281.759). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the profit and other equity.

13. FAIR VALUES

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

14. GOING CONCERN BASIS

The Company incurred a loss of €54.810.802 for the year ended 31 December 2017, and as of that date, the Company's total liabilities exceeded its total assets by €35.063.973. The Company is dependent upon the continuous financial support of its parent company, without which there would be significant doubt about its ability to continue as a going concern as well as its ability to realise its assets and discharge its liabilities in the ordinary course of business. The parent company has indicated its intention to continue providing such financial assistance to the Company to enable it to continue as a going concern and meet its obligations as they fall due.

15. CONTINGENT LIABILITIES

The Company had no contingent liabilities as at 31 December 2017.

16. COMMITMENTS

The Company had no capital or other commitments as at 31 December 2017.

17. SECURITIES

As at 31 December 2017, the Company had in issue the following securities in favour of Colony Luxembourg S.a.r.l. in relation to a loan secured by its parent company, DolphinCI Fourteen Limited:

- Pledge of its 23.025 issued shares.
- Fixed and floating charges over its rights, titles and interests.
- Charges over its bank accounts and assignment of all its receivables.

18. EVENTS AFTER THE REPORTING PERIOD

There were no material events after the reporting period, which affect the financial statements as at 31 December 2017.