BETA SECURITIES S.A.

Athens, Reg. No. 34042/06/B/95/25
29 ALEXANDRAS AV., P.C. 114-73 ATHENS

Annual Financial Statements

For the period January 1st to December 31st 2018

It is hereby certified that the attached herein Financial Statements which have been issued in accordance with the International Financial Reporting Standards, are those financial statements approved by «BETA SECURITIES S.A.» Board of Directors on February 26th, 2019 and uploaded on the Web site of the company www.beta.gr. It is noted that the published financial statements in the press are intended to provide the reader with some general financial information but do not provide a complete picture of the financial position and results of the Company in accordance with International Accounting Standards. It should also be noted that, for the sake of simplicity, certain financial breakdowns and reclassifications have been made to the financial data published in the press.

Athens, February 26th 2019

Evangelos Charatsis

President & Managing Director

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MANAGEMENT REPORT
FOR THE 23rd FISCAL YEAR 01/01/2018 - 31/12/2018 OF THE BOARD OF DIRECTORS OF «BETA SECURITIES S.A.» TO THE GENERAL MEETING OF THE SHAREHOLDERS

(REG. No. 002122401000)

Dear Shareholders,

We have the honor to submit along with the present report the Statement of Financial Position of the fiscal year 01/01/2018 - 31/12/2018 and the Statements of comprehensive Income, Changes in Equity and Cash Flows for the year then ended and also a summary of the significant accounting policies and other explanatory notes.

The attached financial statements of the company have been issued according to the requirements of article 135 of the Law 2190/20 according to the International Accounting Standards and the International Financial Reporting Standards as adopted by the European Union and they contain an analytical view of assets and liabilities and also a clear structure of the earnings of the fiscal year and the operations and financial position of the company for the year ended at 31/12/2018.

OPERATIONS

The **revenues** of the company during the fiscal year 2018 amounted to € 2.396.485 decreased by 13% compared to the turnover of the company during the previous year 2017 amounting to € 2.771.494.

The **cost of services** of the company for the fiscal year 2018 came up to € 1.991.673 compared to € 1.970.959 in the previous year 2017, increased by 1%

The **administration expenses** of the company for the fiscal year 2018 came up to € 872.039 compared to € 853.903 in the previous year 2017, increased by 2%

The **financial earnings** of the company for the fiscal year 2018 came up to € 123.275 compared to earnings in the previous year 2017 of amount € 67.436.

The **Earnings before tax** came up to losses € (426.370) in the fiscal year 2018 compared to earnings of € 143.995 in the previous year 2017

The **Earnings after tax** came up to losses € (425.359) for the fiscal year 2018 compared to earnings of € 151.088 in the previous year 2017

BASIC ACCOUNTING PRINCIPLES

The financial statements of the company of the 31st December 2018 have been issued based on the principle of historical cost, as modified by the re-adjustment of certain assets and liabilities at fair values and the principle of going concern and are in accordance with the International Financial Reporting Standards (I.F.R.S.) including the International Accounting Standards (I.AS.).

Property

Property, plant and equipment are presented in the financial statements at cost, minus accumulated depreciation and impairment if any. The cost of tangible assets includes all directly attributable expenses for their acquisition.

Portfolio

The portfolio of the company as at 31/12/2018, includes shares listed in the Athens Stock Exchange and foreign capital markets, which are classified as «Financial assets at fair value through the income statement» and have been valued at their current price in the Stock market as at 31/12/2018.

Client credit balances deposited in company bank accounts

According to the announcement of 12/7/2016 of the Hellenic Accounting and Auditing Standards Oversight Board called «Accounting treatment of client credit balances held by securities on bank accounts», the company is no longer obliged to present on balance sheet the cash amounts deposited by clients in order for the company to execute transactions on their behalf and according to their orders. Those cash balances are monitored accordingly in the accounting system of the company and their management and reconciliation is completely assured.

ANALYSIS OF THE FIGURES OF THE FINANCIAL STATEMENT

A further analysis of the figures of the financial statements of the year 2018 is provided in the notes of them.

SIGNIFICANT RISKS

Market risk

The main volume of the transactions of the company is denominated in Euro, but there are also transactions in foreign capital markets therefore there is an exposure to exchange rate risk.

Interest rate risk

The company enters in loan agreements with banks, therefore there is an exposure at interest rate risk.

Credit risk

The company is exposed to credit risk, which refers to the possibility that the counterparty will not be able to pay in full the amounts due. Especially for the company this risk is concentrated mainly to client debit balances.

This kind of credit risk is not considered significant, since the price of purchases by clients is received in two days (T+2) from the date of transaction. In case of clients with open positions not covered by their portfolio, the company has already proceeded to the impairment of the receivables.

Credit risk for cash and cash equivalents is considered very small, since are considered to be directly liquidated and also because they refer to well-known banks with high credit ratings.

There is credit risk for the company due to the fact that there are late receivables against customers that are not covered by an equivalent securities value. The company has formed a relevant provision in the financial statements.

Liquidity risk

Management considers that the major part of the assets can be easily liquidated in a short time period.

BASIC FINANCIAL RATIOS

Certain basic financial ratios are presented below:

Current assets to Total Assets 77%

Equity to Total Liabilities 87%

Current Assets to Short Term Liabilities 147%.

SUBSEQUENT EVENTS

No events occurred during the period between the end of the financial year and the reporting date, which are judged to be significant by the Company's management.

FUTURE OPERATIONS OF THE COMPANY

The management taking into consideration the current course of the company operations and the expected negative conditions in both local and international level estimates that revenues and earnings could be reduced in the mid-term period.

BRANCHES

The company does not own any branches.

FINANCIAL POSITION

The financial position of the company is considered satisfactory, but there are further areas for improvement.

ATHENS, 26.02.2019

THE PRESIDENT OF THE BOARD OF DIRECTORS & MANAGING DIRECTOR

EVANGELOS CHARATSIS

INDEPENDENT AUDITOR'S REPORT

To the shareholders of the company "BETA SECURITIES S.A."

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Company «BETA SECURITIES S.A. » (the Company»), which comprise the statement of financial position as at December 31st 2018, the statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2018, their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Basis for Opinion

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

Other information

Management is responsible for the other information. The other information included in the Annual Financial Report is the Annual Report of the Board of Directors, for which reference is made in the "Report on Other Legal and Regulatory Requirements" but does not include the Financial Statements and our Auditors' Report thereon.
Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, on the based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibility of Management for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management's intention is to procced with liquidating the Company or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, 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, incorporated into the Greek Legislation, 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 affect the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, 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 that 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business operations within the company in order to express an opinion on the financial statements. We are responsible for the guidance, supervision and execution of the audit of the Company. We remain exclusively responsible for our audit opinion.

We disclose to the management, 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.

Report on other Legal and Regulatory requirements

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors’ Report, the following is to be noted:

1. In our opinion the Board of Directors Report has been prepared in compliance to the effective legal requirements of article 150 of C.L.4548/2018 and its content corresponds to the accompanying financial reports of the year ended as at 31/12/2018
2. Based on the knowledge we acquired during our audit for the company «BETA SECURITIES S.A.» and its environment, we have not identified any material misstatements in the Board of Directors’ Report.

Athens,

The chartered Accountant,

Nikolaos Bizimis

I.C.P.A. SOEL Reg.No 37861

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Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
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Α.Μ. ΣΟΕΛ 127

STATEMENT OF FINANCIAL POSITION

ASSETS			
	Σημ.	**31/12/18**	**31/12/17**
Non-current assets			
Property, plant and equipment	**6.1**	110.794	25.153
Intangible assets	**6.2**	28.052	39.313
Deferred tax assets	**6.3**	106.687	105.676
Long term receivables	**6.4**	1.418.553	1.430.061
		1.664.086	**1.600.204**
Current assets			
Trade and other receivables	**6.5**	5.159.945	2.488.042
Financial assets at fair value through income statement	**6.6**	43.445	39.728
Cash and cash equivalents	**6.7**	375.705	684.390
		5.579.094	**3.212.160**
Total assets		**7.243.180**	**4.812.364**
EQUITY AND LIABILITIES			
Equity			
Share capital	**6.8**	6.976.143	6.976.143
Reserves	**6.9**	1.259.134	1.259.134
Retained earnings		-4.871.874	-4.446.515
Total Equity		**3.363.402**	**3.788.761**
Long term liabilities			
Retirement benefit obligation	**6.10**	90.396	71.931
Total long term liabilities		**90.396**	**71.931**
Short term liabilities			
Trade and other payables	**6.11**	3.389.382	951.672
Short term loan payables		400.000	0
Total short term liabilities		**3.789.382**	**951.672**
Total liabilities		**3.879.778**	**1.023.603**
Total Equity and liabilities		**7.243.180**	**4.812.364**

STATEMENT OF COMPREHENSIVE INCOME

		1/1 - 31/12/2018	1/1 - 31/12/2017
Revenues	**6.12**	2.396.485	2.771.494
Cost of sales	**6.13**	-1.991.673	-1.970.959
Gross Profit		**404.812**	**800.535**
Administration expenses	**6.14**	-872.039	-853.903
Other income/ expenses	**6.15**	-82.418	129.927
Earnings before income and tax		**-549.645**	**76.559**
Financial income	**6.16**	254.098	310.174
Financial expenses	**6.17**	-130.823	-242.738
Earnings before tax		**-426.370**	**143.995**
Income tax	**6.18**	1.011	7.093
Earnings of year		**-425.359**	**151.088**
Other comprehensive income			
Actuarial gains		0	0
Deferred tax over other comprehensive income		0	0
Total Profit after tax		**-425.359**	**151.088**
Profit after tax per share – basic (Euros)	**6.19**	-1,79	0,64

Athens, February 26th, 2019

The President of the B.o.D. and Managing Director	The member of the B.o.D.	The Chief Accounting Officer
Evangelos Charatsis	Ilias Karantzalis	Fotios Tzigos
I.D. No. AB 649034	I.D. No. K 358862	I.D. No. AK 082458

STATEMENT OF CHANGES IN EQUITY

	Share capital	Reserves	Retained earnings	Total
Μεταβολή Ιδίων Κεφαλαίων χρήσης 1/1 - 31/12/2017				
Balance at January 1st, 2017	**6.976.143**	**1.259.134**	**-4.597.603**	**3.637.674**
Total comprehensive income of year 1/1 - 31/12/17	0	0	151.088	**151.088**
Reserve distribution from profit of subsidiaries and investments	0	0	0	**0**
Total recognized income / expense of the year	**0**	**0**	**151.088**	**151.088**
Balance at December 31st, 2017	**6.976.143**	**1.259.134**	**-4.446.515**	**3.788.762**
Changes in Equity of year 1/1 - 31/12/2018				
Balance at January 1st, 2018	**6.976.143**	**1.259.134**	**-4.446.515**	**3.788.762**
Total comprehensive income of year 1/1 - 31/12/18	0	0	-425.359	**-425.359**
Reserve distribution from profit of subsidiaries and investments	0	0	0	**0**
Total recognized income/expense of year	**0**	**0**	**-425.359**	**-425.359**
Balance at December 31st, 2018	**6.976.143**	**1.259.134**	**-4.871.874**	**3.363.402**

CASH FLOW STATEMENT

	31/12/18	31/12/17
Operating activities		
Earnings before tax	-426.370	143.995
Plus / minus adjustment for:		
Depreciations	22.310	35.364
Provisions	18.465	9.206
Other non-cash transactions	0	10.123
Earnings (income, expenses, profit and loss) of investing activities	-212.241	-211.200
Debit interest and related expenses	26.190	30.431
Plus/ minus adjustments for changes in accounts related to working capital or operating activities:		
Decrease / (increase) of receivables	-2.687.349	713.099
(Decrease) / increase of liabilities (except for banks)	2.458.405	-496.516
Minus:		
Debit interest and related expenses paid	-26.190	-30.431
Taxes paid	0	0
Total inflows/ outflows from operating activities (a)	**-826.780**	**204.071**
Investing activities		
Sale/(purchase) of securities	2.543	181.967
Purchase of tangible and intangible assets	-96.689	-13.283
Interest received	212.241	132.792
Total inflows/ outflows from investing activities (b)	**118.095**	**301.476**
Financing activities		
New loans	400.000	0
Total inflows/ outflows from financing activities (c)	**400.000**	**0**
Net increase (decrease) in cash and cash equivalents of the year (a)+(b)+(c)	**-308.685**	**505.547**
Cash and cash equivalents at the beginning of year	**684.390**	**178.843**
Cash and cash equivalents at the end of year	**375.705**	**684.390**

EXPLANATORY NOTES OF THE FINANCIAL STATEMENTS

1. General information for the company

The company «BETA SECURITIES S.A.» (there on «the company») presents its financial statements along with the explanatory notes which comprise an integral part of them for the fiscal year 1/1/2018 – 31/12/2018.

The company was established in 1995 (Government Journal 4880/21.08.1995), by the license provided by the Securities and Exchange Committee of Greece No. 44/6-6-1995, with Societte Anonyme registration No. 34042/06/B/95/25 and operates according to the provisions of Law 3606/2007 and according to the Decision No. 9/473/5-6-2008 of the Securities and Exchange Committee by which the operation license of the company has been modified.

The financial statements of the company are available at the web site www.betasecurities.com

The company's shareholders and their shares are presented below:

SHAREHOLDERS	PARTICIPATION
Evangelos Charatsis	50,00 %
Nikolaos Ritsonis	50,00 %
Total	100,00 %

The duration of the company has been set at ninety nine (99) years by the recording date in the Register of Societte anonymes.
The duration of the Company is set at ninety nine (99) years from the recording date in the Register of Societte Anonyme of the administrative decision for the authorization of the Company's incorporation and the approval of its Articles of Association.

The company has occupied in the fiscal years 1/1 – 31/12/18 and 1/1 – 31/12/17 an average of forty one (41) and forty one (41) employees respectively.

The financial statements are presented in euro (€). All amounts are presented without rounding's, unless stated differently.

The company offers the following services:
a) Execution of transactions in shares, bonds and derivatives in the Greek and foreign capital markets (the company holds a trading license for derivatives).
b) Portfolio management and investment advice.
c) Credit for margin accounts.
d) Undertaking of financial means or placement of financial means and related services.
e) Safekeeping and management of financial assets on account of clients including services of custody and other related services like cash management or safety.
f) Offer advice in companies for capital structure, segment strategy and related issues and also offer advice for merger and acquisitions.
g) Research on investing sector and financial analysis

2. Preparation of financial statements

The attached financial statements (there on «financial statements»), have been prepared by the Management based on the principal of historical cost, as modified by the re-adjustment of certain assets and liabilities at fair values through the income statement and the principal of going concern and are in agreement with the International Financial Reporting Standards (thereon I.F.R.S.) and the International Accounting Standards (there on I.A.S.), as adopted by the European Union (according to Regulation (E.U.) No.1606/2002 of the European Parliament and the Board of the European Union of the July 19th 2002) and have been published by the International Accounting Standards Board (IASB), and also their Interpretations, as published by the International Financial Reporting Interpretations Committee (I.F.R.I.C.) of the IASB.

The period of adaptation of every I.A.S./I.F.R.S. is defined by the related regulations published by the committee of the European Union.

The financial statements are presented in Euro, which is the operational currency of the company. All amounts are presented in Euro unless stated differently.

Any differences in amounts of figures of the financial statements and the explanatory notes are caused by roundings.

The preparation of financial statements according to the I.F.R.S. requires the adaptation of assessments, principles and assumptions which affect the valuation of assets, liabilities, the recognition of contingent liabilities and also the recognition of revenues and expenses in the financial statements.

It also requires judgment by Management at the procedures of applying the accounting principles of the company.

The current financial statements reflect a fair presentation of the financial position of the company at the date of preparation.

3. Basic accounting principles

The major accounting principles adopted and followed at the preparation of the attached financial statements according to the IF.R.S. are presented in the following paragraphs and have been applied consistently in all reporting periods, unless stated differently:

3.1. Property, plant and equipment

Tangible assets are initially recognized at cost, minus their accumulated depreciation and impairment if any. The cost of tangible assets includes all directly attributable purchase expenses.

Subsequent expenses are recorded in addition to the accounting value of tangible assets, or as a separate asset only at the extent that those expenses increase the future economic benefits expected to inflow from the use of the asset and its cost can be reliably measured. The cost of repairs and maintenance is recorded in the income statement when realized.
Depreciation is recorded in order to reduce cost minus the residual value of tangible assets, according to the useful life, by using the straight line method.
The expected useful life of tangible assets are the following:

Vehicles	5 - 7 years
Furniture & Other equipment	5 years
Computers	4 years
Telecom equipment	5 years
Other tangible assets	5 years

Residual values and useful lives of tangible assets are subject to a reassessment in every reporting date. In case the accounting values of tangible assets are considered to be higher than their recoverable value, then the difference (impairment) is recorded directly as an expense in the income statement.

At the time of sale of tangible assets, the differences between the price received and the accounting value are recorded as earnings or losses in the income statements.

3.2. Intangible assets

Intangible assets include software, which are recognized at cost minus depreciation. Depreciation is calculated according to the straight line method during the useful life of the assets, which has been set at five years.

3.3. Impairment of assets

Assets with indefinite useful life are not depreciated and are subject to impairment test annually or when events occur that indicate that the accounting value may not be recoverable. Assets depreciated are also subject to impairment test when there are indications that their accounting value is not recoverable. The recoverable value is the greater amount among the net selling value and the value in use. The difference between the net value of the asset and the directly recoverable value of the underlying asset consists an impairment loss. Tangible assets are classified to the lowest level in order to be connected to separate cash flow units, for impairment reasons.

3.4. Financial assets

The Company applied the new IFRS 9 "Financial Instruments" as of 1 January 2018 without adjusting comparative information as there is no impact on the validity of the Standard.

Initial recognition

A financial asset or financial liability is recognized in the statement of financial position when and only when the Company becomes one of the contractual parties of the financial instrument. A financial asset is derecognised from the Statement of Financial Position when the contractual rights to the asset's cash flows expire or when the Company transfers the financial asset and substantially all the risks and rewards of ownership. A financial liability (or part thereof) is derecognised from the Statement of Financial Position when, and only when, the obligation specified in the contract is fulfilled, canceled or expires.

Classification and measurement of financial assets
In addition to those trade receivables that do not contain a significant funding component and are measured at their transaction price in accordance with IFRS 15, financial assets are initially measured at fair value by adding the relevant transaction cost except in the case of financial assets assets measured at fair value through profit or loss.

Financial assets other than those that are defined and effective hedging instruments are classified into the following categories:

a. financial assets at amortized cost,

b. financial assets at fair value through profit or loss, and

c. financial assets at fair value through other comprehensive income.

Classification is determined by the Company's business model regarding the management of the financial assets and the characteristics of their contractual cash flows.

All income and expenses relating to financial assets recognized in the Income Statement are included in the items "Financial Expenses" and "Financial Income", except for impairment of trade receivables included in operating results.

Subsequent measurement of financial assets

A financial asset is subsequently measured at fair value through profit or loss, at amortized cost or at fair value through other comprehensive income. Classification is based on two criteria:

i. the business model for the management of a financial asset, ie whether the objective is to hold for the purpose of collecting contractual cash flows or the collection of contractual cash flows, and the sale of financial assets; and

ii. if the contractual cash flows of the financial asset consist exclusively of a capital repayment and interest on the outstanding balance ("SPPI" criterion).

The measurement of amortized cost includes non-derivative financial assets such as loans and receivables with fixed or pre-determined payments that are not traded on an active market. After initial recognition, they are measured at amortized cost using the effective interest method. In cases where the impact of discounting is insignificant, discounting is omitted.

For financial assets measured at fair value through other comprehensive income, changes in fair value are recognized in other comprehensive income in the Statement of Comprehensive Income and are reclassified to the Income Statement on derecognition of financial instruments.

For financial assets measured at fair value through profit or loss, they are measured at fair value and changes in fair value are recognized in profit or loss in the Income Statement. The fair value of the assets is determined by reference to transactions in an active market or by the use of valuation techniques where there is no active market.

Impairment of financial assets

The Company recognizes impairment provisions for expected credit losses for all financial assets other than those measured at fair value through profit or loss. The objective of the impairment requirements of IFRS 9 is to recognize the expected credit losses over the life of a financial instrument whose credit risk has increased after initial recognition, regardless of whether the assessment is made at a collective or individual level, using all the information that can be gathered based on both historical and present data, as well as data relating to reasonable future estimates. For the implementation of this approach, a distinction is made between:

- financial assets whose credit risk has not deteriorated significantly since initial recognition or which have a low credit risk at the reporting date (Stage 1),

- financial assets whose credit risk has deteriorated significantly since initial recognition and which have no low credit risk (Stage 2), and
- financial assets for which there is objective evidence of impairment at the reporting date (Stage 3).

For Stage 1 financial assets, expected credit losses are recognized over the next twelve months, while for Stage 2 or Stage 3, expected credit losses are recognized over the life of the financial asset. The expected credit losses are based on the difference between the contractual cash flows and the cash flows that the Company expects to receive. The difference is discounted using an estimate of the original effective interest rate of the financial asset. The Company applies the simplified approach of the Standard for Assets under contracts and trade receivables by calculating the expected credit losses over the life of the above items. In this case, the expected credit losses represent the expected shortfalls in the contractual cash flows, taking into account the possibility of default at any point during the life of the financial instrument. In calculating the expected credit loss, the Company uses a provisioning table by grouping the above financial instruments based on the nature and maturity of the balances and taking into account available historical data in relation to debtors, adjusted for future factors in relation to debtors and the economic environment. There is no impact from the application of the Standard on 1/1/2018.

Financial liabilities Classification and measurement of financial liabilities

As the accounting requirements for financial liabilities remained broadly similar compared to IAS 39, the Company's accounting policies regarding financial liabilities were not affected by the adoption of IFRS 9.

Financial liabilities include the contractual obligations assumed for:

• Delivery of cash or another financial asset to another entity

• Exchange of financial instruments with another entity, in potentially unfavorable terms.

• A contract that is or may be settled by an equity instrument of the enterprise and is: (a) a non-derivative for which the enterprise is or may be required to deliver a variable number of the entity's own equity instruments; or (b) a derivative that will be settled in any other way than the exchange of a specified amount of money or other financial claim with a specified number of equity instruments of the enterprise.

The Company's financial liabilities are included in the short-term liabilities of the Statement of Financial Position in the line "Suppliers and other payables" and "Other short-term liabilities".

3.5. Income tax & deferred tax

Income tax appearing in the Statement of Comprehensive Income comprises from both current income tax and deferred income tax related to transactions and events recognized in the income statement.

Payable income tax is based on taxable Income Statement. However, taxable profits may differ from the profit or loss presented in the income statement because they do not include non-taxable revenue or non-deductible taxable expenses, as well as, they do not include revenue or expenses which are taxable or deductible in next periods.
The current (payable) tax of the company is calculated according to the tax rate effective at each reporting date over the taxable profits.

Deferred tax is recorded either as an asset (regarding taxes expected to be returned or offset in the future with tax liabilities) or as a liability (for taxes expected to be paid in the future) related to all temporary (tax wise) differences between book value and recognized tax basis of assets or liabilities, by the use of the liability method.

Deferred tax liabilities are recorded for all temporary tax (tax wise) differences, while deferred tax assets are recorded for all deductible tax differences, to the extent that tax benefits are expected.

The current tax is calculated based on the applicable tax rate, while deferred taxes are calculated at the rate expected to occur when the assets or liabilities are settled.

The company records the tax effects of transactions and other events and further the amount of deferred tax by the same way it records the transactions themselves. This means that for transactions and other events recognized in the income statement, the respective tax effects will be recognized in the income statement as well. Regarding transactions and other events recognized otherwise (in the comprehensive income or directly in Equity), any kind of tax effects are recognized similarly (either in the comprehensive income or directly in equity, respectively).

Tax assets and liabilities are offset when they refer to a temporary (tax wise) difference derived by assets or liabilities of the same nature.

3.6. Employee bebefits

Short term employee benefits:

Short term employee benefits include items such as:

- Wages, salaries and social security contributions
- Short term compensated absences such as paid annual leave and paid sick leave where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service.

Short term employee benefits (besides benefits from ceasing employment) in cash and in item are recognized as expense when they accrue. The undiscounted amount of the benefits shall be recognized as a liability, while if the paid exceeds the undiscounted amount of the benefits, the entity shall recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Termination benefits

These benefits are created, when an entity is engaged to terminate the occupation of the employee or employees, before the normal retirement date.

These benefits are recorded as a liability and as an expense when and only when the entity is engaged to provide them. When these benefits fall due more than twelve months from balance sheet date, they shall be discounted.
In the case of an offer that concerns voluntary redundancy the valuation of the benefits of employment relationship shall be based on the number of the employees that is expected to accept the offer.

When these benefits become payable over a period of twelve months from the balance sheet date, then these benefits are discounted based on the yields of high quality of corporate bonds or government bonds. In the case of the termination of employment that there cannot be easily defined the number of employees who will make use of these benefits, the benefits are not recognized, but they are disclosed as possible liability.

Post employment benefits

The defined benefit plan pertains to the legal obligation of the company to pay a compensation to the staff at the time of retirement from service. The liability recorded in the statement of financial position for this plan, is equal to the present value of the obligation for the defined compensation related to the accrued right of the employees and the time it is expected to be paid.

The state-defined obligations for employee benefits are accounted for as liabilities, such as those relating to defined benefit plans. The company records a liability equal to the present value of future cash flows for legal or moral obligations to those employees regarding retirement, firing or voluntary redundancy. The present value of this liability, will be estimated by an actuarial report referring to each reporting date. Increases or decreases in these state-defined obligations for employee benefits are accounted for through the income statement of each year.
The company's liabilities resulting from the legislation on employee compensation are determined by an actuary and accounted for by a provisioning account.

3.7. Provisions

A provision shall be recognized when:

- An entity has a present obligation (legal or constructive) as a result of a past event
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation
- A reliable estimate can be made of the amount of the obligation.

Whenever there are similar liabilities, the possibility of an outflow at settlement, is defined by the examination of the category of liabilities in total. A provision is recognized even when the possibility of an outflow related to any element included in the same liability category may be rather small.

Provisions are estimated at the present value of the expenses which, based on the best management estimation, are required to cover the present liability at the end of the reporting period. The discounting rate used for the calculation of present value reflects the current market expectations for the time value of money and may be increased depending on the specific liability.

3.8. Leasing

A lease is defined as financial, when the terms of the related contracts transfer substantially all the risks and rewards related to a leased asset to the lease.

Financial leases are capitalized at the beginning of the lease at the lowest among the fair value of the asset or the present value of the minimum lease payments. Every lease payment is divided to the liability part and the financial expenses part in order to achieve a stable interest rate for the remaining financial liability. The respective liabilities from lease payments, net of financial expenses, are presented as borrowing liabilities. The part of financial expense referring to a financial lease is recognized in the income statement during the lease. Assets acquired by a financial lease are depreciated in the shortest period between their useful life and the period of lease, if they are classified as tangible assets, while if they refer to investment property they are not subject to depreciation and they are recorded at fair value.

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognized as an expense on a straight-line over the lease terms unless another systematic basis is more representative of the time pattern of the user’s benefit, even if the payments are not on that basis

The company does not operate as a leaser with financial or operating leases.

3.9. Revenues and expenses recognition

Revenues: revenues include the fair value of rendering services, net of Value Added Tax or transaction tax over brokerage, rebates or returns. Revenues are recognized as follows:

- Services: The revenue of sales of services is accounted at the period, in which the service is rendered, based on the percentage of completion method. The amount of the sale price associated with an agreement for services to be provided subsequently is recorded in a transitional account and recognized in the income statement for the period in which the services are provided. Revenue recognition is based on the provision of the service (accrual income principle) and therefore is not affected by the adoption of IFRS 15.
- Interest income: Interest income is recognized using the effective interest rate method, which is the interest rate that accurately discovers future cash payments or receipts over the life of the financial instrument or, when required, for a shorter period, the net carrying amount of the financial asset or liability. The adoption of IFRS 15 for the recognition of interest income has no impact on the Company's accounting policies.

Expenses: Expenses are recognized in the income statement on an accrued basis. Expenses from interest are recognized on accrued basis also. Operating lease payments are recognized as an expense in the period's income on a straight-line basis over the lease term.

3.10. Related party transactions

Related parties include entities over which the company applies a substantial influence in their management and financial policy.

All transactions between the company and the related parties are executed by the same financial terms, as referring to similar transactions with non-related parties at the same period.

3.11. Dividends

Η διανομή μερισμάτων στους μετόχους αναγνωρίζεται ως υποχρέωση στις οικονομικές καταστάσεις την ημερομηνία κατά την οποία η διανομή εγκρίνεται από την Γενική Συνέλευση των μετόχων.

3.12. Currency

Financial statements are presented in euro (€), which is the operating currency and the currency of presentation.

Transactions in foreign currencies are translated in the operating currency by the use of exchange rates effective at the date of transaction.

Earnings and losses from exchange rate differences are recorded in the income statement, when derived by the settlement of such transactions during the fiscal year as well as when they refer to the translation of assets denominated in foreign currency by the effective exchange rates at reporting date. Exchange rate differences from non currency elements at fair value, are considered as part of the fair value and therefore they are recorded similarly to the differences of fair value.

3.13. Significant accounting estimates and assumptions

The preparation of financial statements requires from the management to apply judgment, assessment and assumptions which affect the published assets and liabilities at the reporting date of the financial statements. They also affect the disclosures of contingent claims and liabilities at the reporting date of financial statements and also the published amounts of revenues and expenses.

Those assessments and judgment are based on past experience and other factors, including anticipations for future events which are considered reasonable under certain conditions, while they are revaluated constantly by the use of every available information.

Assessments and assumptions involving significant risk to cause substantial adjustments to the book values of assets and liabilities in the following 12 months refer to:

- **Income tax**

The company is subject to taxation, so a judgment is required for the estimation of the provision for income tax. Several transactions and calculations exist that make the final calculation of income tax uncertain. The company recognizes liabilities from expected tax audits, based on estimations for a possible charge of additional taxes. In case the final outcome of such an audit is different than the initially recognized provision, the difference derived will affect the income tax and the provision for deferred tax of the period.

The company also estimates the extent to which future taxable profit will be expected against which unused tax losses can be utilized.

The measurement of deferred tax liabilities and deferred tax assets reflects the subsequent tax effects derived by the way the company expects at the end of the reporting period, to recover or settle the book value of assets and liabilities.

- **Impairment test of assets**

The company examines events and indications pointing if the book value of tangible and intangible assets might not be recoverable. In this case an impairment test is applied in order to define the recoverable amount of the asset. The recoverable amount of an asset is estimated as the greater amount between its net selling price (if there is an active market) and is value in use.

- **Useful life of tangible assets**

The company examines the useful lives of tangible assets in every reporting period. Management estimates at the end of the reporting period of the attached financial statements that the useful lives of tangible assets represent the expected utility of those assets.

- **Recoverability of receivables**

When there are objective indications that the company will not be able to receive all receivables from clients or debtors, then an impairment of those is recorded. The amount of impairment is derived from the difference among the accounting value of the receivables and the present value of their expected future cash flows which are discounted by the real interest rate. The amount of the impairment is recorded in the income statement.

4. Changes in accounting policies

4.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2018.

- **IFRS 9 «Financial instruments» (effective for annual periods starting on or after 01/01/2018)**

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The new Standard affects the consolidated/ separate Financial Statements

- **IFRS 15 «Revenue from contracts with customers» (effective for annual periods starting on or after 01/01/2018)**

In May 2014, the IASB issued a new Standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The key principles on which the Standard is based are consistent with much of current practice. The new Standard is expected to improve financial reporting by providing a more robust framework for addressing issues as they arise, increasing comparability across industries and capital markets, providing enhanced disclosures and clarifying accounting for contract costs. The new Standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related Interpretations. The new Standard affects the consolidated/ separate Financial Statements.

- **Clarification to IFRS 15 «Revenue from contracts with customers» (effective for annual periods starting on or after 01/01/2018)**

In April 2016, the IASB published clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but clarify how those principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time. The amendments affect the consolidated/ separate Financial Statements

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- **Amendments to IFRS 2: «Classification and Measurement of Share-based Payment Transactions» (effective for annual periods starting on or after 01/01/2018)**
  In June 2016, the IASB published narrow scope amendment to IFRS 2. The objective of this amendment is to clarify how to account for certain types of share-based payment transactions. More specifically, the amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligation, as well as, a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments do not affect the consolidated/ separate Financial Statements

- **Amendments to IFRS 4: «Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts» (effective for annual periods starting on or after 01/01/2018)**

In September 2016, the IASB published amendments to IFRS 4. The objective of the amendments is to address the temporary accounting consequences of the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts Standard. The amendments to existing requirements of IFRS 4 permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until 2021 (the "temporary exemption") and also permit all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the "overlay approach"). The amendments do not affect the consolidated/ separate Financial Statements

- **Annual improvements of the IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2017 και 01/01/2018)**

In December 2016, the IASB issued Annual Improvements to IFRSs – 2014-2016 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2014-2016 cycle. The issues included in this cycle and are effective for annual periods starting on or after 01/01/2018 are the following: **IFRS 1:** Deletion of short-term exemptions for first-time adopters, **IAS 28:** Measuring an associate or joint venture at fair value. The amendments do not affect the consolidated/ separate Financial Statements

- **Amendments to IAS 40: «Transfer of investment property» (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property. That change in use should be supported by evidence. The amendments do not affect the consolidated/ separate Financial Statements.

- **IFRIC 22 «Foreign currency transactions and advance consideration» (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB issued a new Interpretation, IFRIC 22. IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The new Interpretation does not affect the consolidated/ separate Financial Statements

New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **IFRS 16 «Leases» (effective for annual periods starting on or after 01/01/2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognize assets and liabilities arising from a lease. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Amendments to IFRS 9: «Prepayment features with negative compensation» (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met. The Group will examine the impact of the above to its financial statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

- **IFRIC 23 «Uncertainty over income tax treatments» (effective for annual periods starting on or after 01/01/2019)**

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The company will examine the impact of the above to its financial statements, though it is not expected to have any. The Group will examine the impact of all of the above in its Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Amendments to IAS 28: «Long term interests in associates and joint ventures» (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Annual improvements to IFRS – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)**

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: **IFRS 3 - IFRS 11:** Previously held interest in a joint operation, **IAS 12:** Income tax consequences of payments on financial instruments classified as equity, **IAS 23:** Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 19 " Plan Amendment, Curtailment or Settlement " (effective for annual periods beginning on or after 01/01/2019)**

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Revision of the Financial Reporting Concept (effective for annual periods beginning on or after 01/01/2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IFRS 3 "Definition of a Business" (effective for annual periods beginning on or after 01/01/2020)**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 1 and IAS 8 "Definition of Material" (effective for annual periods beginning on or after 01/01/2020)**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **IFRS 17 «Insurance contracts» (effective for annual periods starting 01/01/2021)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

5. Risk management

5.1 Use of financial assets

The company uses financial means for trading, financial and investing purposes, as well as for hedging risks. The use of financial means affects materially the financial position, the earnings and its cash flows.

At the note No. 6.20 the company presents an analysis of the value and the categories of its financial means and the respective figures where they are included in the financial statements. At the note No. 3.4 there is information related to recognition and valuation of those financial means, while below in the current note there is information about risks related to the ownership of those financial means.

Factors of financial risk

The most significant risks related to the financial means of the company are the following:

- Credit risk
- Market risk (exchange rate risk, interest rate risk and price risk)
- Liquidity risk

Risk management process is assigned to the «Risk management division» of the company. This division is responsible to define , assess and hedge all financial risks in co-operation with the services that face those risks. In case of applying hedging processes there is a requirement for approval by those directors responsible for committing the company to counterparties.

5.2 Credit risk

The company is exposed to credit risk, which refers to the inability of a counterparty to respond to its financial obligations.

This risk affects the company especially in the event of clients that do not cover their open positions.

This kind of credit risk is not considered significant because the company:

- Receives the price of customer purchases by the end of the three-day (T + 2) from the day of its transaction, to the implementation of relevant stock options (see the next paragraph "Credit risk for T + 3")
- makes provision for impairment of all receivables to customers not covered by their respective portfolio value
- monitors consistently any delays in other receivables and integrates this information into its credit policy control system.

Credit risk for cash (cash and cash equivalents) is considered very small, since they are highly liquidated investments and easily convertible in cash and also because counterparties are banks well known with high credit ratings.

Credit risk management is takes also into account the possible exposure to market fluctuations.

5.2.1 Commitments related to credit

According to the effective provisions of supervisory authorities.

The ability to offer credit to clients in order for them to purchase stocks (margin account), was initially introduced by Law 2843/2000.

This credit model is based on the general principle that credit is offered only by a certain contract among the company and a client and only If this client is able to offer insurance of this credit.

Margin account offers to investors the ability to purchase more shares than they could otherwise by using only their own capital, by using the leverage technique. Nevertheless the purchase of shares by credit is a technique used by investors familiar enough to this tool and ots operation.

Special terms and conditions for the process of margin accounts is defined by legislation, and special provisions of the Security and Exchange Committee and the Central bank of Greece, so the company is not exposed to significant credit risk from this operation.

5.2.2 Credit risk for T+3

According to Law 2843/2000 and Decision No. 2/363/30.11.2005 (as modified by Decision No. 8/370/26.1.06) of the Securities and Exchange Committee, the client must pay the price of purchases by the end of (T + 2). In different case the company has to sell the acquired shares the following day (T+ 3) in order to eliminate the risk of loss, so the actual credit risk is rather low.

5.2.3 Deposits in banks of client money

The Securities and Exchange Committee in order to secure the free cash balances of clients, has imposed to the securities firms according to the Decision No. 2/306/22.06.2004 as effective, to maintain the client cash balances to separate bank accounts.

At the note no.6.21 there is a table presenting the maximum exposure of the company to credit risk related to its financial assets.

5.3 Market risk

The company is exposed to market risk which refers to the possibility that the fair value or future cash flows of the financial means of the company to present fluctuations caused by changes in market prices.

This risk for the company includes mainly the following special risks: (I) exchange rate risk (II) interest rate risk and (III) price risk.

5.3.1 Exchange rate risk

Exchange rate risk is derived by the fluctuation of fair value or future cash flows of a financial mean from changes in exchange rates of foreign currencies.

The majority of the transactions of the company is denominated in euro. The exposure of the company to exchange rate risk is derived by cash balances in foreign currency or securities traded in foreign capital markets.

At the note no.6.22 there is a table presenting the maximum exposure of the company to exchange rate risk.

5.3.2 Interest rate risk

Interest rate risk is derived by the fluctuation of fair value or future cash flows of a financial mean, by changes in market interest rates.

The company is exposed to this risk because of its loans and cash deposits.

At the note no.6.23 there is a table presenting the maximum exposure of the company to the interest rate risk.

5.3.3 Price risk

This risk is related to fluctuations of fair value or future cash flows of the company's own investments (stocks, mutual funds etc.). The company uses derivatives in order to partially hedge this risk.

At the note no.6.24 there is a table presenting the maximum exposure of the company to the risk of fluctuations of the market prices of its securities.

5.4 Liquidity risk

Liquidity risk refers to the inability of the company to respond to obligations related to financial liabilities.

The company manages its liquidity needs by careful monitoring of scheduled payments for long term liabilities, and also cash outflows by day to day operations. Liquidity needs are monitored in different time periods (daily, weekly, monthly basis). The company maintains cash and highly liquidated investments, in order to cover its liquidity needs for a period up to 30 days. The ability to finance long term needs is secured by an adequate number of credit lines and the ability to sell long term financial assets.

At the note no.6.25 there is a table presenting information regarding the expiry of the company's financial liabilities.

5.5 Risk management procedures

The Board of Directors is responsible for the risk exposure of the company and the constant monitoring of it, as well as the monitoring of capital adequacy requirements. In addition, the Board of Directors has the responsibility to monitor the Company's capital adequacy.

The Board of Directors has assigned to a risk manager the following tasks:
a) The risk manager is responsible for setting and applying policies and procedures that allow to track risks related to the company's operations, procedures and systems (mainly credit risk, market risk and operational risk). The tolerable risk level is set by the provisions of Law 3606/2007 and the respective Decisions of the Securities and Exchange Committee.
(b) the risk manager monitors systematically the suitability and effectiveness of policies and procedures applied by the company related to the risk management process.
(c) the risk manager takes care that the company possess the required technical and software support, in order to monitor, supervise and apply the appropriate procedures for the calculation of capital adequacy and risk management in general.
(d) the risk manager is responsible to keep up the internal procedure of capital adequacy valuation of the company. Analytically, the basic principles of risk management related to each separate risk is presented below:

5.5.1 Principles of credit risk management

The risk manager in order to manage the credit risk, forms the appropriate procedures and policies for the effective prevention and management of credit risk. This includes the effective application of procedures and settings such as:

- Evaluation capital requirements towards credit risk, according to Laws and Securities and Exchange Commission's decisions.
- Dividing receivables and other open positions to: a) receivables past due and b) impaired receivables.
- Application of the policy of approaching and methods of estimating the value of open positions (e.g. standardized, marked to market method, original exposure method, internal model method) and the adjustment of value and related provisions.
- Setting techniques of reducing credit risk
- Setting policies and procedures of settlement of in balance sheet and off balance sheet assets.
- Setting policies and procedures of valuation and management of guarantees and the type of guarantees acceptable by the company
- Analysis the various categories of open positions per economic segment or type of counterparty (e.g. Banks, companies, institutions)
- Analysis the various categories of open positions based on expiry.
- Evaluates the guarantees offered to the company.
- Consistent application of the method of calculating open positions.
- Examination of the integrity, validity and accuracy of data sources used and the procedure of their update.
- Evaluation of the credibility of counterparties.
- Application of a stress testing program.

The reduction of credit risk includes the credibility of counterparties, the country risk and also the economic sector of operations along with qualitative and quantitative elements.

The monitoring of open positions of the company is executed in a daily basis, while every open position higher than the 10% of equity of the company is disclosed to the Securities and Exchange Committee.

Furthermore and according to the provisions of Law 2843/2000 and the Decisions No. 2/363/30.11.2005 and 8/370/26.01.2006 of the Securities and Exchange Committee as effective, the client must pay the price of purchases in two days (T+2). Otherwise the company must sell the client's acquired shares the T+3 day, in order to minimize credit risk.

5.5.2 Principal of liquidity risk management

Liquidity risk refers to the inability of finding adequate cash in order to cover the liabilities of the company.
Liquidity risk is maintained at low levels by maintaining adequate cash and easily liquidated securities.

5.5.3 Principles of market risk management

The company's own investments in securities are exposed to the risk of price changes. The company estimates the market risk of positions owned for own account by applying the method VaR (Value at Risk) based on different assumptions for market changes.
In addition, it calculates the specific and general risk of the position of the same portfolio, for reporting based on the Decision 4/459 / 27.12.2007 of the Exchange Committee.
The risk manager applies policies and procedures appropriate for the effective management of this risk and also takes care of the effective implementation of the appropriate procedures such as:

- Monitoring the capital adequacy of the company to remain in the range required by legislation
- Recording the policy of approaching and estimating the value of open positions (e.g. standardized, mark to market method, original exposure method, internal model method) and the adjustment of the value of those provisions.
- Applying a stress testing program.

6. ANALYSIS OF FIGURES AND OTHER NOTES

6.1 Property, plant and equipment

Property, plant and equipment has been valued at the initial acquisition cost minus accumulated depreciation. Depreciation has been recalculated based on their real useful life. There are no encumbrances over the tangible assets of the company. The analysis of property:

Amounts in €	Buildings	Machinery	Vehicles	Furniture & Other Equipment	Total
A. Acquisition cost					
Balance at 01/01/2017	**405.107**	**28.384**	**48.339**	**1.460.613**	**1.920.482**
Additions	2.654	0	0	532	3.186
Balance at 31/12/2017	**407.761**	**28.384**	**48.339**	**1.461.145**	**1.945.629**
Additions	25.603	0	21.117	49.968	96.689
Balance at 31/12/2018	**433.364**	**28.384**	**69.457**	**1.511.113**	**2.042.318**
B. Depreciation					
Balance at 1/1/2017	**380.861**	**28.384**	**48.340**	**1.438.246**	**1.828.489**
Depreciation	13.576	0		11.070	25.630
Balance at 31/12/2017	**394.437**	**28.384**	**48.340**	**1.449.316**	**1.920.477**
Depreciation	3.399	0	0	7.650	11.048
Balance at 31/12/2018	**397.836**	**28.384**	**48.340**	**1.456.965**	**1.931.525**
Net balance at 31/12/17	**13.324**	**0**	**0**	**11.829**	**25.154**
Net balance at 31/12/18	**35.528**	**0**	**21.117**	**54.148**	**110.794**

6.2 Intangible assets

Intangible assets include software and are analyzed as follows:

A. Acquisition cost	Software licenses
Balance at 1/1/2017	**953.744**
Additions	10.098
Balance at 31/12/2017	**963.841**
Additions	0

Balance at 31/12/2018	**963.841**
B. Depreciation	
Balance at 1/1/2017	**913.810**
Depreciation	10.718
Balance at 31/12/2017	**924.528**
Depreciation	11.262
Balance at 31/12/2018	**935.790**
Net balance at 31/12/17	**39.313**
Net balance at 31/12/18	**28.052**

6.3 Deferred tax assets

The largest amount of deferred tax assets is recoverable over a period of more than 12 months, as well as the greater amount of deferred tax liabilities is payable over a period of more than 12 months.

Deferred tax assets and liabilities are offset when the company has the legal right to do it and all deferred taxes refer to the same tax authority.

The balances of deferred tax assets of the company after the offset of deferred liabilities are the following:

	31/12/18	31/12/17
Deferred tax assets	106.687	105.676
Deferred tax liabilities	0	0
Net balance	**106.687**	**105.676**

Deferred tax assets	Depreciation of tangible and intangible assets	Retirement benefit obligation	Valuation of financial assets	Impairment of receivables	Total
Balance at 1/1/2017	**12.267**	**-3.788**	**7.241**	**82.863**	**98.583**
(Debit) / Credit in Income statement	1.487	2.670	2.936	0	7.093
Total change of period	**1.487**	**2.670**	**2.936**	**0**	**7.093**
Balance at 31/12/2017	**13.754**	**-1.118**	**10.177**	**82.863**	**105.676**
(Debit) / Credit in Income statement	-3.271	5.355	-1.073	0	1.011
Total change of period	**-3.271**	**5.355**	**-1.073**	**0**	**1.011**
Balance at 31/12/2018	**10.483**	**4.237**	**9.103**	**82.863**	**106.687**

Deferred tax liabilities	Provision for tax audit charges	Leasing	Total
Balance at 1/1/2017	**6.259**	**0**	**6.259**
Debit / (Credit) in Income Statement	-6.259		**-6.259**
Total change of period	**-6.259**	**0**	**-6.259**
Balance at 31/12/2017	**0**	**0**	**0**
Debit / (Credit) in Income statement	0		**0**
Total change of period	**0**	**0**	**0**
Balance at 31/12/2018	**0**	**0**	**0**

Balance after offset 31/12/2017	**105.676**
Balance after offset 31/12/2018	**106.687**

6.4 Long term receivables

Long term receivables are analyzed as follows:

	31/12/18	31/12/17
Participation to Auxiliary Fund of Athens Stock Exchange	49.873	49.566
Participation to Guarantee Fund of Athens Stock Exchange	881.827	793.814
Participation to Auxiliary Fund of Athens Derivatives Exchange	47.237	72.034
Participation to Auxiliary Fund of Cyprus stock Exchange	30.107	30.137
Guarantee of General Clearing Member	20.000	95.000
Other guarantees	389.510	389.510
Total	**1.418.553**	**1.430.061**

The Participation to the Auxiliary Fund of the Athens Stock Exchange refers to payment of contribution to this fund according to the provisions of Law 2471/1997 and Law 3371/2005.

The Athens Stock Exchange operates as both the administrator and the custodian of this fund.

The Participation to the Guarantee Fund of the Athens Stock Exchange refers to the payment of a guarantee according to the provisions of Law 2533/1997.

There are also the guarantees paid for the clearing of transactions in derivatives according to the E.U. Directive E.M.I.R. The company also co-operates with a bank operating as a general clearing member.

The book value of those receivables reflects their fair value as well.

6.5 Trade and other receivables

Trade and other receivables are analyzed as follows:

Client accounts	**31/12/18**	**31/12/17**
Clients	3.082.225	1.762.063
Foreign brokers	1.679.720	243.254
Margin in foreign markets	142.740	142.740
Clearing houses	261.576	115.959
Impairment of receivables	(1.106.070)	(1.106.070)
Total	**4.060.192**	**1.157.947**

Other receivables	**31/12/18**	**31/12/17**
Prepayments to suppliers	621.321	686.575
Advanced and retained taxes	48.951	98.584
Personnel on account	225.021	212.100
Accrued expenses	6.413	32.407
Accrued income	70.181	173.210
Other debtors	124.756	124.111
Other debtors in court	3.109	3.109
Total	**1.099.753**	**1.330.096**
Grand total	**5.159.945**	**2.488.042**

6.6 Financial assets at fair value through the income statement

Financial assets at fair value through the income statement are analyzed below:

	31/12/18	31/12/17
Shares listed in the Athens Stock Exchange	24.925	22.828
Shares listed in foreign Stock Exchanges	18.520	16.900
Total	**43.445**	**39.728**

The fair value of the shares is derived from their published stock prices at the reporting date.

6.7 Cash and cash equivalents

Cash and cash equivalents are analyzed as follows:

	31/12/18	31/12/17
Cash	10.407	1.627
Sight deposits	365.298	416.032
Repos	0	266.731
Total	**375.705**	**684.390**

Additionally to the above cash of the company, the bank accounts include also the cash deposited by clients in order for the company to execute transactions on their behalf and according to their orders.

This client cash has been transferred off balance sheet, according to the announcement No. 12/2016 of the Hellenic Accounting and Auditing Standards Oversight Board and in addition to that, according to protocol N.3127/9.8.2016 disclosure by the Exchange Committee, by which the company is no longer obliged to present on balance sheet since those are considered not assets of the company according to the recognition criteria of the International Financial Reporting Standards, the current legislation for securities and also the European Directive 91/674.

Those cash balances of the clients of the company came up to € 23.942.690 as at 31.12.2018 and to € 25.199.524 at 31.12.2017, respectively.

6.8 Share capital

The company shares are anonymous and not traded in the capital market. An analysis of the number and value of them is given:

	Number of shares	Nominal value	Share Capital
Balance at 01/01/2017	**237.688**	**29,35**	**6.976.143**
Change	0	0	0
Balance at 31/12/2017	**237.688**	**29,35**	**6.976.143**
Change	0	0	0
Balance at 31/12/2018	**237.688**	**29,35**	**6.976.143**

6.9 Reserves

Reserves are analyzed below:

	31/12/18	31/12/17
Statutory reserve	690.418	690.418
Other reserves	47.507	47.507
Tax free reserves	521.209	521.209
Total	**1.259.134**	**1.259.134**

The Statutory Reserve is recorded according to the provisions of the Greek legislation (Law 2190/20, articles 44 and 45) which requires an amount of at least 5% of annual earnings (after tax), to be transferred to reserves until the accumulated amount reaches the 33% of share Capital. The statutory reserve can be used for the coverage of losses if decided by the General Meeting of the shareholders and cannot be used for any other reason.

6.10 Retirement benefit obligations

The provision for retirement benefit obligation of the personnel of the company is presented below:

	31/12/18	31/12/17
Provision according to Law 2112/20	90.396	71.931
Total	**90.396**	**71.931**

The amounts recognized in the Earnings are presented below:

	31/12/18	31/12/17
Compensation paid according to Law 2112/20	18.465	9.206
Total	**18.465**	**9.206**

6.11 Trade and other payables

Trade and other payables are analyzed as follows:

Client credit balances and balances under clearing	31/12/18	31/12/17
Credit balances under clearing	1.918.035	3.632
Liabilities to foreign traders	56.410	0
Clearing houses	1.078.046	321.562
Σὑνολο	**3.052.491**	**325.194**
Suppliers and other creditors	**31/12/18**	**31/12/17**
Personnel salaries payable	14.522	29.443
Other creditors	29.052	54.235
Additional payment to Auxiliary Fund of Athens Stock Exchange	12.111	7.762
Other short term liabilities	200.087	385.661
Withholding taxes	42.680	96.581
Social security	38.439	52.795
Total	**336.891**	**626.478**
Grand total	**3.389.382**	**951.672**

In addition to the above unsettled customer credit balances, there are also the mature credit balances of the company's clients, ie the cash deposits deposited by clients of the company to carry out investments on their behalf.

These mature customer credit balances have been transferred to off-balance sheet items, with the recent announcement No 12/2016 of the Accounting Standardization and Audit Committee and its subsequent existence No 3127 / 9.8.2016 notifying the Hellenic Capital Market Commission as it is considered that they are not a liability of the company in accordance with the criteria for the recognition of the International Financial Reporting Standards, the current legal framework for the AEPEY, and also the relevant European Directive 91/674.

These mature credit balances of the company's customers amounted to € 23.942.690 at 31.12.2018 and to € 25.199.524 at 31.12.2017.

6.12 Sales

Sales are analyzed as follows:

	1/1 - 31/12/18	1/1 - 31/12/17
Brokerage from Athens Stock Exchange	1.393.768	1.374.603
Brokerage from foreign markets	539.779	681.112
Other brokerage charges	182.686	204.183
Portfolio management fees	0	173.210
Brokerage from derivatives	280.252	338.385
Total	**2.396.485**	**2.771.494**

6.13 Cost of sales

Cost of sales is analyzed below:

	1/1 - 31/12/18	1/1 - 31/12/17
Salaries – Wages and Personnel Expenses	830.740	758.556
Third party services	513.551	574.516
Utilities	151.883	163.735
Taxes - Duties	3.899	2.364
Various expenses	475.983	447.033
Depreciation of property, plant & equipment	7.734	17.252
Depreciation of intangible assets	7.883	7.503
Total	**1.991.673**	**1.970.959**

6.14 Administration expenses

Administration expenses are analyzed below:

	1/1 - 31/12/18	1/1 - 31/12/17
Salaries – Wages and Personnel Expenses	356.031	325.095
Third party services	220.093	246.221
Utilities	65.093	70.172
Taxes - Duties	1.671	1.013
Various expenses	203.993	191.586
Depreciation of property, plant & equipment	3.315	7.394
Amortization of intangible assets	3.378	3.215
Provision for retirement obligations	18.465	9.206
Total	**872.039**	**853.903**

6.15 Other income / expenses

Other income and expenses are analyzed below:

	1/1 - 31/12/18	1/1 - 31/12/17
Other income		
Income from previous years	15.019	25.011
Other extraordinary income	1.011	66.195
State subsidies	0	6.259

Foreign exchange differences	346.922	786.217
Total other income	**362.952**	**883.682**
Other expenses		
Foreign exchange differences	367.580	678.130
Tax fines and surcharges	530	1.078
Other extraordinary expenses	30.296	35.275
Expenses from previous year	46.965	39.272
Total other expenses	**445.371**	**753.755**
Other income after offset	**-82.418**	**129.927**

6.16 Χρηματοοικονομικά έσοδα

Τα χρηματοοικονομικά έσοδα αναλύονται ως εξής:

	1/1 - 31/12/18	**1/1 - 31/12/17**
Κέρδη από συναλλαγές μετοχών και παραγώγων	41.857	144.917
Πιστωτικοί τόκοι	212.241	165.257
Σύνολο	**254.098**	**310.174**

6.17 Financial expenses

Financial expenses are analyzed below:

	1/1 - 31/12/18	**1/1 - 31/12/17**
Expenses and losses from shares and derivatives	104.633	212.307
Bond loan interest	4.785	0
Loan interest	8.355	12.075
Commissions for letters of guarantee	8.936	10.886
Other bank charges	4.113	7.470
Total	**130.823**	**242.738**

6.18 Income tax

Income tax recorded in the income statement is analyzed below:

	1/1 - 31/12/18	**1/1 - 31/12/17**
Deferred tax	1.011	7.093
Tax audit differences	0	0
Total	**1.011**	**7.093**

Deferred tax relates to:

	1/1 - 31/12/18	**1/1 - 31/12/17**
Deferred tax	1.011	7.093
Tax audit differences	0	0
Σύνολο	**1.011**	**7.093**

6.19 Basic earnings/losses per share Κέρδη/Ζημιές ανά Μετοχή

The basic earnings/losses per share have been calculated as follows:

	1/1 - 31/12/18	1/1 - 31/12/17
Earnings/(losses) of period	-425.359	151.088
Weighted average of shares	237.688	237.688
Basic earnings/losses per share (Euro per share)	**-1,7896**	**0,6357**

6.20 Categories of financial assets

The financial assets owned by the company as at 31/12/2018 and 31/12/2017 are the following:

Financial assets	**Statement of financial position**	**31/12/2018**	**31/12/2017**
Loan and other debtors	Long term receivables	1.029.043	1.040.551
	Trade and other receivables	4.258.238	1.458.377
Financial assets available for sale	Financial assets available for sale	0	0
Financial assets at fair value through the income statement	Financial assets at fair value through the income statement	43.445	39.728
	Cash and cash equivalents	375.705	684.390
	Total financial assets	**5.706.431**	**3.223.046**
Liabilities			
Financial liabilities at amortized cost	Trade and other payables	3.308.264	802.296
	Long term loans	0	0
	Short term loans	400.000	0
Financial assets at fair value through the income statement	Derivative financial assets - liabilities	0	0
	Total financial liabilities	**3.708.264**	**802.296**

6.21 Credit risk

The table below presents the maximum exposure of the company towards credit risk of its financial assets:

31/12/2018	**Amounts covered by portfolio**	**Amounts covered by insurance**	**Amounts covered by bank guarantees/public or other institutions**	**Amounts covered by respective liability**	**Other amounts**	**Total**
Loans and other debtors	3.655.875	0	261.576	0	1.369.830	**5.287.282**
Total	**3.655.875**	**0**	**261.576**	**0**	**1.369.830**	**5.287.282**

31/12/2017	**Amounts covered by portfolio**	**Amounts covered by insurance**	**Amounts covered by bank guarantees/public or other institutions**	**Amounts covered by respective liability**	**Other amounts**	**Total**
Loans and other debtors	899.247	0	115.959	0	1.483.722	**2.498.928**

Total	**899.247**	**0**	**115.959**	**0**	**1.483.722**	**2.498.928**

In the amount of receivables of 31/12/18 and 31/12/17, € 1,369,830 and € 1,483,722 respectively, which are not covered by any collateral, are included amounts of € 1,029,043 and € 1,040,551 respectively regarding the Company's Long term Participations in the Auxiliary and Guarantee Funds of the Athens and Cyprus Stock Exchanges and guarantees of general clearing member.

More information on those figures is presented at Note No.6.4. An analytical table of financial assets and liabilities along with their expiry is given below.

The above receivables are considered without any risk of collection.

The risk exposure of the company to client receivables covered by their portfolio of amount € 3.690.858 and € 899.247 as at 31/12/18 and 31/12/17 respectively, changes according to market conditions related to market risk.

6.22 Exchange rate risk

The table below presents the maximum exposure of the company towards exchange rate risk as at December 31st 2018. The table presents the financial assets per currency in accounting values in Euro.

31/12/2018
Short term financial assets

(a) Financial assets	Euro	USD	Other currencies	**Total**
Loans and other debtors	4.143.123	115.116		**4.258.238**
Financial assets at fair value through the income	399.566	18.520	1.063	**419.149**
Total (a)	**4.542.689**	**133.636**	**1.063**	**4.677.388**
(β) Financial liabilities				
Financial liabilities at amortized cost	3.708.264		0	**3.708.264**
Total (b)	**3.708.264**	**0**	**0**	**3.708.264**
Short term exposure (a) - (b)	**834.426**	**133.636**	**1.063**	**969.124**

Long term financial assets

(a) Financial assets	Euro	USD	Other currencies	**Total**
Loans and other debtors	1.029.043	0	0	**1.029.043**
Total (a)	**1.029.043**	**0**	**0**	**1.029.043**
(b) Financial liabilities				
Financial liabilities at amortized cost	0	0	0	**0**
Total (b)		**0**	**0**	**0**
Long term exposure (a) - (b)		**0**	**0**	**0**
Total exposure		**133.636**	**1.063**	**134.698**

31/12/2017

Short term financial assets

(a) Financial assets	Euro	USD	Other currencies	**Total**
Loans and other debtors	1.343.261	115.116		**1.458.377**
Financial assets at fair value through the income statement	686.505	35.465	2.147	**724.118**
Total (a)	**2.029.766**	**150.581**	**2.147**	**2.182.495**
(b) Financial liabilities				
Financial liabilities at amortized cost	802.296		0	**802.296**

	Euro	USD	Other currencies	Total
Total (b)	**802.296**	**0**	**0**	**802.296**
Short term exposure (a) - (b)	**1.227.470**	**150.581**	**2.147**	**1.380.199**

Long term financial assets

(a) Financial assets	Euro	USD	Other currencies	**Total**
Loans and other debtors	1.040.551	0	0	**1.040.551**
Total (a)	**1.040.551**	**0**	**0**	**1.040.551**
(b) Financial liabilities				
Financial liabilities at amortized cost	0	0	0	**0**
Total (b)	**0**	**0**	**0**	**0**
Long term exposure (a) - (b)		**0**	**0**	**0**
Total exposure		**150.581**	**2.147**	**152.728**

As presented in the tables above, the financial assets of the company are mainly denominated in euro. The exposure of the company to exchange rate risk is derived by transactions and balances in USD. The following table presents the sensitivity of earnings and equity, related to a change in the exchange rate among euro and USD.

The company makes the assumption of a change of +/- 5% of the exchange rate euro/USD. Sensitivity analysis is based on the amount of financial means in USD owned by the company at every reporting date (31/12/18 και 31/12/17).

In case the exchange rate of euro/USD changed by +/-5% and +/5% for 2018 and 2017, respectively, the effect would be:

		31/12/2018	**31/12/2017**
Earnings	+/-	6.682	7.529
Equity	+/-	6.682	7.529

The exposure of the company to exchange rate risk, is different during the year depending on the volume of transactions in foreign currencies. Even so, the above analysis is considered representative of the company exposure to exchange rate risk.

6.23 Interest rate risk

The following table summarizes the company exposure to interest rate risk as at 31/12/18 and 31/12/17.

31/12/2018

(a) Financial assets

	Floating interest	**Fixed interest**	**Without interest**	**Total**
Loans and other debtors (other than receivables against customers repos)	0	0	5.287.282	**5.287.282**
Financial assets at fair value through the income statement	365.298		53.851	**419.149**
Total (a)	**365.298**	**0**	**5.341.133**	**5.706.431**

(b) Financial liabilities

	Floating interest	**Fixed interest**	**Without interest**	**Total**
Trade and other payables (other than liabilities against customers repos)	0	0	3.308.264	**3.308.264**
Short term loans	400.000	0	0	**400.000**
Total (b)	**400.000**	**0**	**3.308.264**	**3.708.264**

Exposure	**-34.702**

31/12/2017
(a) Financial assets

	Floating interest	Fixed interest	Without interest	Total
Loans and other debtors (other than receivables against customers repos)	0	0	2.498.928	**2.498.928**
Financial assets at fair value through the income statement	682.763		41.355	**724.118**
Total (a)	**682.763**	**0**	**2.540.283**	**3.223.046**

(b) Financial liabilities

	Floating interest	Fixed interest	Without interest	Total
Trade and other payables (other than liabilities against customers repos)	0	0	802.296	**802.296**
Total (b)	**0**	**0**	**802.296**	**802.296**
Exposure	**682.763**			

As concluded by the above table, the company is exposed as at 31/12/2018 to the changes of the interest rate market, because of its cash which is subject to floating interest rates.

The table below presents the sensitivity of earnings and equity against a reasonable change in the interest rates of amount +/- 1,0%.

	31/12/2018	31/12/2017
Earnings	-347	6.828
Equity	-347	6.828

The exposure of the company to the interest rate risk, is different during the year depending on the volume of transactions and balances bearing interest. Despite that the above analysis is considered adequate for the presentation of the company's exposure to interest rate risk.

6.24 Risk of prices

The following table presents the company's exposure to the risk derived by the volatility of fair value or future cash flows of the shares, traded on the Athens Stock Exchange and on foreign stock exchanges and equity funds, owned by the company.

31/12/2018

	Shares	Mutual funds	Total
Financial assets at fair value through the income statement	43.445	0	**43.445**
Financial instruments for hedging	0	0	**0**
Exposure	**43.445**	**0**	**43.445**

31/12/2017

	Shares	Mutual funds	Total
Financial assets at fair value through the income statement	39.728	0	**39.728**
Financial instruments for hedging	0	0	**0**
Exposure	**39.728**	**0**	**39.728**

The following table presents the sensitivity of earnings and equity towards a reasonable change of the stock prices of about +/-20%. Calculations have been based on the shares owned by the company at each reporting date (31/12/18 και 31/12/17).

	31/12/2018	31/12/2017
Earnings after tax	8.689	7.946
Equity	8.689	7.946

The company's exposure to price risk is different during the fiscal year depending on the volume of transactions in financial means subject to the risk of price changes. The above analysis is still considered as representative more or less, of the level of exposure to the risk of changes in prices of financial means.

6.25 Liquidity risk

The table below presents the expiry of financial liabilities and the liquidity of financial liabilities. At the same time, data are presented regarding the liquidity or the ability to liquidate the financial assets of the company.

31/12/2018
(a) Financial assets

	Short term		Long term		Total
	within 6 months	6 to 12 months	Between 1 and 5 years	Above 5 years	
Loans and other debtors	4.258.238	0	1.029.043	0	**5.287.282**
Financial assets at fair value through the income statement	419.149	0	0	0	**419.149**
Total (a)	**4.677.388**	**0**	**1.029.043**	**0**	**5.706.431**

(β) Financial liabilities

	Short term		Long term		Total
	within 6 months	6 to 12 months	Between 1 and 5 years	Above 5 years	
Trade and other payables	3.308.264	0	0	0	**3.308.264**
Short term loans	0	400.000	0	0	**400.000**
Total (b)	**3.308.264**	**400.000**	**0**	**0**	**3.708.264**
Net amount (a) - (b)	**1.369.124**	**-400.000**	**1.029.043**	**0**	**1.998.167**

31/12/2017
(a) Financial assets

	Short term		Long term		Total
	within 6 months	6 to 12 months	Between 1 and 5 years	within 6 months	6 to 12 months
Loans and other debtors	1.458.377	0	1.040.551	0	**2.498.928**
Financial assets at fair value through the income statement	724.118	0	0	0	**724.118**
Total (a)	**2.182.495**	**0**	**1.040.551**	**0**	**3.223.046**

(b) Financial liabilities

	Short term		Long term		Total
	within 6 months	**6 to 12 months**	**Between 1 and 5 years**	**within 6 months**	**6 to 12 months**
Trade and other payables	802.296	0	0	0	**802.296**
Total (b)	**802.296**	**0**	**0**	**0**	**802.296**
Net amount (a) - (b)	**1.380.199**	**0**	**1.040.551**	**0**	**2.420.750**

6.26 Related party transactions

The company is not part of a Group and does not own any subsidiaries or related companies.

The transactions and balances of the company with the members of the management are presented below:

	1/1 - 31/12/18	**1/1 - 31/12/17**
Revenues	0	0
Expenses (rents for buildings)	72.000	72.000
Receivables (rents guarantee)	385.758	385.758
Receivables (rents prepayments)	528.430	562.776
Transactions and remuneration of management	5.126	42.595

	31/12/18	**31/12/17**
Receivables from management	208.240	192.819
Liabilities to management	0	4.407

6.27 Commitments

The company rents a building by an operating lease. Leases have various terms, adjustment conditions and renewal rights. The company is obliged to offer a warning before the termination of its contract as defined by legislation for rentals. The rent expense recorded in the income statement has been allocated among the cost of sales and the administration expenses and came up to € 72.000,00 for the year 1/1 – 31/12/2018 and 1/1 - 31/12/2017 respectively. The future payable rents according to the contract are presented below:

	31/12/18 Buildings
Up to 1 year	72.000
Between 2 and 5 years	0
Above 5 years	0
	72.000

	31/12/17 Buildings
Up to 1 year	72.000
Between 2 and 5 years	0
Above 5 years	0
	72.000

6.28 Contingent liabilities

The company has not been audited by the tax authorities for the fiscal year 2010. From the year 2011 and later the company has been subject to the tax audit of its Certified auditors according the provisions of article 65A paragraph 1 of the Law 4174/2013 and the Decision of the Ministry of Economics No. 1124/18-6-2015. The tax audit of the year 2018 is still in progress and the respective tax report is expected to be issued during the current year 2019. Management estimates that any additional tax charges imposed by the completion of this tax audit will not have material effect on financial statements.

The Participation of the company to the Guarantee Fund of the Athens Stock Exchange (see note no. 6.4) regards amounts paid according to the provisions of Law 2533/1997, article 74 § 4 which defines that in case of termination of the company's operations, the Fund will return those guarantees paid, reduced by the amount of any compensation paid to creditors of the company, if there is such a case.
There are no legal disputes or arbitrations expected to have significant effect to the financial position or operation of the company.

The guarantees offered by the company to third parties are the following:

Category of Letter of Guarantee	Value
Letter of guarantees for good execution	731.827

7. Other disclosures

There are no subsequent events of the reporting date, which affected the company and should be reported according to the requirements of the International Financial Reporting Standards.

8. DISCLOSURES ACCORDING TO ARTICLE 81 AND 82 OF LAW 4261/2014 (articles 89-90 of Directive 2013/36/E.U.)

8.1 ARTICLE 81, of Law 4261/2014

A) NAME - OPERATIONS - DOMICILE

The company's name is «BETA SECURITIES S.A.»».

The company is based in Athens, 29 Alexandras Avenue.

The nature of its operations refer to:

1. **Investment services and activities:**
   - Receiving and transmitting orders, which consist of receiving and transmitting orders on behalf of customers, for trading in financial instruments.
   - Execution of orders on behalf of customers, consisting of the conclusion of contracts for the purchase or sale of one or more financial instruments on behalf of clients.
   - Negotiation for same account, which indicates Company's negotiation to its own account, constituting negotiation on behalf of the Company with its own capital for one or more financial instruments towards the completion of such transactions.
   - Portfolio management, which consists in managing, at the discretion of the company, client portfolios under their instructions, including one or more financial instruments.
   - The provision of investment advice, which consists in providing personal advice to a customer, either at his own request or at the initiative of the company, about one or more transactions relating to financial instruments.
   - Undertaking of financial means or placement of financial means and related services.
   - Placement of financial instruments without withdrawal commitment.

2. **Additional services Παρεπόμενες υπηρεσίες:**

- Safekeeping and management of financial assets on account of clients including services of custody and other related services like cash management or safety.
- Providing credit or loans to an investor to conduct a transaction in one or more financial instruments to which the Company is performing brokerage services.
- Offer advice in companies for capital structure, segment strategy and related issues and also offer advice for merger and acquisitions.
- Research on investing sector and financial analysis
- Underwriting services.

B) REVENUES

Revenues of the fiscal year 2018 came up to 2.396.485 €.

C) EMPLOYEES

The number of full time employees during 2018 came up to 41 persons.

D) EARNINGS BEFORE TAX

Earnings before tax for the fiscal year 2018 indicated losses of (426.370) €.

E) INCOME TAX

Income tax for the fiscal year 2018 is 1.011 € and is related solely to deferred tax.

F) GOVERNMENT GRANTS

There was no government grant received in the referred fiscal year

8.2 ARTICLE 82, OF LAW 4261/2014ΑΡΘΡΟ 82, Ν.4261/2014

Asset performance ratio

The company disclosures its asset performance ratio, calculated by net earnings divided to assets, as required by article 82 of Law 4261/2014. For the year 2018 this ratio came up to -5,87%.