

GRIVALIA HOSPITALITY S.A.
Société Anonyme

ANNUAL FINANCIAL REPORT

**FOR THE PERIOD FROM JUNE 26, 2015 (DATE OF INCORPORATION)
TO DECEMBER 31, 2015**

63-65, rue de Merl L-2146 Luxembourg

Subscribed Capital: EUR 2,000,000

R.C.S. B.198.264

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Report of the Board of the Directors to the Shareholders at the Ordinary Shareholders' Meeting for the year 2015

The Board of Directors is pleased to submit to you the financial statements of Grivalia Hospitality S.A., (the "Company") as at December 31, 2015.

MEMBERS OF THE BOARD OF DIRECTORS

Georgios Chryssikos:	Chairman
Wade Sebastian Burton :	BoD Member
Ignace Charles Rotman:	BoD Member

The directors are appointed for duration of 5 years ending at the Annual General Meeting in 2021.

GENERAL MANAGERS

Panagiotis Aristeidis Varfis
Natalia Strafti

The directors are appointed for duration of 5 years ending at the Annual General Meeting of 2021.

ANNUAL ACCOUNTS

The total assets amounts to € 1.909 as shown in the statement of financial position as at December 31, 2015 and the Company, as shown in the statement of comprehensive income, has made a loss of € 250 during the period from June 26, 2015 (date of incorporation) to December 31, 2015.

SUBSCRIBED CAPITAL

The total authorised number of ordinary shares as at December, 31, 2015, is 2.000.000 of Grivalia class shares (hereafter the "Grivalia Class Shares") with a nominal value of (amount in €) €1 per share. All shares are subscribed and fully paid up for a total amount of €2.000.

The Company was established in June 26, 2015. The issued share capital of the Company was €1.000 and represented by 1.000.000 Grivalia Class Shares (hereafter the "Grivalia Class Shares"), each with a nominal value (amount in €) of €1. The authorized un-issued share capital of the Company was €99.000 to be represented by 99.000.000 shares of any class.

On July 10, 2015 the Extraordinary Shareholders Meeting decided to increase the issued share capital of the Company by €99.000 so as to bring it from an amount of €1.000 to €100.000 by the issue of 99.000.000 new Grivalia Class Shares with a nominal value of (amount in €) €1 per share. All shares were fully paid up amounting to €100.000.

On July 31, 2015 the Extraordinary Shareholders Meeting decided the reduction of the issued share capital of the Company by an amount €60.000 so as to bring it from an amount of €100.000 to €40.000 by the cancellation of 60.000.000 shares with a nominal value of (amount in €) €1 each repaid to the Sole Shareholder.

On December 16, 2015 the Extraordinary Shareholders Meeting decided the reduction of the issued share capital of the Company by an amount €38.000 so as to bring it from to an amount of €40.000 to €2.000 by the cancellation of 38.000.000 shares with a nominal value of (amount in €) €1 each repaid to the Sole Shareholder.

ACTIVITIES

The object of the Company is the acquisition, development and management of hospitality real estate mainly in Greece.

SIGNIFICANT EVENTS DURING AND AFTER THE YEAR END

There has been no special events nor do we know of any event that is about to occur and which could influence considerably the financial situation and the reserves of the Company accumulated so far, other than that disclosed in the financial statements.

FORESEEABLE DEVELOPMENT OF THE COMPANY

The Company is expected to acquired investment properties. This should occur before the end of financial year 2016.

RESEARCH AND DEVELOPMENT ACTIVITIES OF THE COMPANY

No research and development activities were carried-out during the period from June 26, 2015 (date of incorporation) to December 31, 2015.

ACQUISITION OF OWN SHARES

During the period from June 26, 2015 (date of incorporation) to December 31, 2015, the Company did not acquire any own shares.

BRANCHES OF THE COMPANY

The Company does not have any branch.

STATUTORY AUDITORS

The firm PwC Luxembourg Société Coopérative. has indicated their willingness to remain as auditor of the Company.

DISTRIBUTION OF PROFITS

The Directors propose that the loss for the period is attributed as follows:

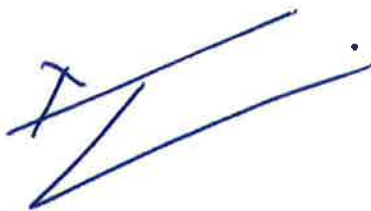
Loss for the period	(250)
Retained earnings	-

Loss carried forward	(250)

We kindly ask you to approve the annual financial statements as at December 31, 2015 and to give discharge to the Board of Directors. For an on behalf of the Board of Directors

Luxembourg, July 28th, 2016

The undersigned





Audit report

To the Shareholder of
Grivalia Hospitality S.A.

We have audited the accompanying financial statements of Grivalia Hospitality S.A., which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the period from 26 June 2015 (date of incorporation) to 31 December 2015, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Grivalia Hospitality S.A. as of 31 December 2015, and of its financial performance and its cash flows for the period from 26 June 2015 (date of incorporation) to 31 December 2015 in accordance with International Financial Reporting Standards as adopted by the European Union.

Other matters

The Report of the Board of Directors, which is the responsibility of the Board of Directors, is consistent with the financial statements.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 28 July 2016

A handwritten signature in black ink, appearing to be 'Alessio Chiesa', written over a faint circular stamp or watermark.

Alessio Chiesa

Annual Financial Statements
For the period from June 26, 2015 (date of incorporation)
to December 31, 2015

Notes to Financial Statements

Statement of financial position

	Note	<u>31/12/2015</u>
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	6	1,909
		<u>1,909</u>
TOTAL ASSETS		<u>1,909</u>
 <u>SHAREHOLDERS' EQUITY AND LIABILITIES</u>		
Shareholders' equity		
Share Capital	7	2,000
Retained earnings	7	<u>(250)</u>
Total shareholders' equity		<u>1,750</u>
 Current liabilities		
Trade and other payables	8	156
Current income tax liabilities		<u>3</u>
Total liabilities		<u>159</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>1,909</u>

Notes to Financial Statements

Statement of comprehensive income

	Note	from 26/06/2015 to 31/12/2015
Administrative and other expenses	9	(245)
Operating loss		(245)
Finance Costs		(2)
Profit/(loss) before income tax		(247)
Income Tax	10	(3)
Profit/(loss) for the period		(250)
Other comprehensive income for the period, net of tax		-
Total comprehensive income for the period		(250)
Loss attributable to owners of the parent		(250)
Total comprehensive income attributable to owners of the parent		(250)

Notes to Financial Statements

Statement of changes in equity

	Note	Number of shares (thousands)	Share capital	Retained earnings	Total
Opening Balance June 26, 2015		-	-	-	-
Issuance of New Shares	7	1,000	1,000	-	1,000
Total comprehensive income for the period	7	-	-	(250)	(250)
Share capital increase	7	99,000	99,000	-	99,000
Share capital decreases	7	(98,000)	(98,000)	-	(98,000)
Balance December 31, 2015		2,000	2,000	(250)	1,750

Notes to Financial Statements

Cash Flow Statement

	Note	<u>26/6-31/12/2015</u>
Cash flows from operating activities		
Profit/(loss) for the period before tax		(247)
Finance costs		2
Changes in working capital:		
Increase / (decrease) in payables	8	<u>156</u>
Cash generated from / (used) in operating activities		(89)
Finance costs paid		(2)
Taxes paid		-
Net cash generated from / (used) in operating activities		<u>(91)</u>
 Cash flows from financing activities		
Proceeds from share capital issuance	7	1,000
Proceeds from share capital increase	7	99,000
Reduction of share capital	7	<u>(98,000)</u>
Net cash used in financing activities		<u>2,000</u>
 Net increase/ (decrease) in cash and cash equivalents for the period		
		1,909
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		<u>1,909</u>

The Financial Statements the period from June 26, 2015 (date of incorporation) to December 31, 2015 were approved for issue by the Board of Directors on July 28, 2016 and are signed on its behalf by:

Georgios Chryssikos

Chairman of the BoD

Notes to Financial Statements

1 General information

Grivalia Hospitality S.A. (the "Company") was established in June 26, 2015 under the laws of Luxembourg as a société anonyme for a defined period of 15 years so as to expire on June 24, 2030. The Company may be dissolved prior to the end of its life by decision of its shareholders. Upon proposal of the Board of Directors and prior to the end of the life of the Company, the Shareholders may decide to extend the life of the Company for two consecutive additional periods of one year.

The object of the Company is the acquisition, development and management of hospitality real estate mainly in Greece.

The Company is incorporated and domiciled in Luxembourg-City. The address of its registered office is 63-65, rue de Merl, L-2146 Luxembourg and is registered at the Luxembourg Commercial Register under number R.C.S. Luxembourg n B 198.264

These Financial Statements (hereafter the "Financial Statements") for the period from June 26, 2015 (date of incorporation) to December 31, 2015 have been approved for issue by the Board of Directors on July 28, 2016.

The ultimate parent company is Grivalia Properties REIC, incorporated and domiciled in Maroussi, Greece. The address of its registered office is 117 Kifisias Avenue & Ag. Konstantinou, Maroussi, Greece (General Comm.Registry 000239101000) and is listed in the Athens Stock Exchange.

The Company is Included in the consolidated financial statements prepared by its ultimate parent company which are available at its registered address.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below.

2.1 Basis of preparation

Statement of compliance

The Financial Statements of the Company have been prepared by the Management in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

Preparation of financial statements

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies.

The Financial Statements have been prepared on a going concern basis under the historical convention. The financial statements have been presented in Euro which is the Company's functional currency.

Changes in assumptions may have a significant impact on the Financial Statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements, are disclosed in Note 5.

Notes to Financial Statements

2.2 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning after 26 June 2015 and none of them is expected to have a significant effect on the financial statements:

Standards and Interpretations effective for subsequent periods

IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Company cannot currently early adopt IFRS 9 as it has not yet been endorsed by the EU.

IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1 January 2017)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company is currently investigating the impact of IFRS 15 on its financial statements. The standard has not yet been endorsed by the EU.

IFRS 16 “Leases” (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Company is currently investigating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

IAS 16 and IAS 38 (Amendments) “Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1 January 2016)

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

IAS 27 (Amendment) “Separate financial statements” (effective for annual periods beginning on or after 1 January 2016)

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements.

IAS 1 (Amendments) “Disclosure initiative” (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

Notes to Financial Statements

IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment entities: Applying the consolidation exception” (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.

IAS 12 (Amendments) “Recognition of Deferred Tax Assets for Unrealised Losses” (effective for annual periods beginning on or after 1 January 2017)

These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016)

The amendments set out below describe the key changes to four IFRSs.

IFRS 7 “Financial instruments: Disclosures”

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, ‘Disclosure – Offsetting financial assets and financial liabilities’ is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 “Employee benefits”

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 “Interim financial reporting”

The amendment clarifies what is meant by the reference in the standard to ‘information disclosed elsewhere in the interim financial report’.

2.3 Financial Assets

Financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company’s financial assets comprise ‘cash and cash equivalents’ in the balance sheet (notes 2.4).

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash deposits and highly liquid time deposits held with banks with original maturities of approximately three months or less.

2.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction (net of tax), from the proceeds.

2.6 Trade and other payables

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

Notes to Financial Statements

2.7 Current and deferred tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country where the Company operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

2.8 Interest income

Interest income is recognised using the effective interest method. When receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

2.9 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Annual General Shareholders Meeting.

2.10 Interest expense

Interest expenses is recognised within 'finance costs' in the statement of comprehensive income using the effective interest rate method. Exempt are borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate to the net carrying amount of the financial asset or the financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and other premiums or discounts.

2.11 Off-setting financial instruments

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

Notes to Financial Statements

3 Financial risk management

3.1 Financial risk factors

The Company might be exposed to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The financial risks relate to the following financial instruments: cash and cash equivalents, trade and other payables. The accounting policy with respect to these financial instruments is described in note 2.

Risk management primarily focuses on the identification and evaluation of financial risk, which includes the following specific areas: foreign exchange risk and interest rate risk.

a) Market risk

Market risk is the risk that the Fair Value or future cash flows of a financial instrument will fluctuate because of changes in market prices. As at December 31, 2015 due the limited financial instruments in the statement of financial position, there is no market risk to be disclosed.

i) Foreign exchange risk

The Company is not exposed to foreign exchange risk as at December 31, 2015, as all Company's transactions are in EURO.

ii) Price risk

The Company is not exposed to price risk as at December 31, 2015, as the Company holds no equity or commodity securities and therefore has no exposure to price risk.

iii) Cash flow and fair value interest rate risk

The Company is not exposed to cash flow and fair value interest rate risk as at December 31, 2015, as the Company has no interest-bearing assets or liabilities. The Company's income, charges and operating cash flow are substantially independent of changes in market interest rates.

b) Credit risk

The Company has concentrations of credit risk with respect to cash balances and deposits held with banks. However, no significant losses are anticipated, as procedures are in place to ensure that cash transactions are restricted to financial institutions. Company's cash and cash equivalents are invested in systemic banks and in subsidiaries of systemic banks.

Below are the ratings of the banks where the Company invests its cash and cash equivalents according to Fitch:

Eurobank Ergasias S.A.: Rating D
Eurobank Private Bank Luxembourg S.A.: Unrated

The Company's maximum exposure to credit risk is the carrying value of those transactions.

c) Liquidity risk

Prudent liquidity risk management implies sufficient cash balances, availability of funding through an adequate amount of committed credit facilities and ability to close out market positions.

Notes to Financial Statements

Company's liquidity position is monitored on a regular basis by the management. A summary table is presented with maturity of financial assets and liabilities (the tables include undiscounted flows for interest and principal) on note 8.

3.2 Fair value estimation

The Company uses the following hierarchy for the determination and the disclosures of the fair value of the financial assets and liabilities per valuation techniques :

Level 1: Financial assets traded in active markets who's fair value is determined on the basis of quoted prices at the reporting date for identical assets or liabilities.

Level 2: Financial assets that are not traded in active markets, who's fair value is determined by using valuation techniques and assumptions based directly or indirectly on published market prices at the reporting date.

Level 3: Financial assets not traded in active markets, who's fair value is determined by the use of techniques not based on available market information.

As at December 31, 2015, Cash and cash equivalent are classified as level 1 and trade and other payables are classified as level 3.

At the December 31, 2015, the carrying amount of trade and other payables approximates their fair value.

3.3 Capital risk management

Company's objectives when managing capital are to safeguard the Company's ability to continue its operation in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets.

4 Critical accounting estimates and assumptions

The Company didn't make any critical judgement for the period ended December 31, 2015.

5 Principal assumptions for income tax

The Company is subject to income taxes in Luxembourg. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issued based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded such differences will impact the current tax provisions.

6 Cash and cash equivalents

The analysis of cash and cash equivalents is as follows:

	<u>31/12/2015</u>
Cash at bank and short-term deposits	<u>1,909</u>
Cash and cash equivalents	<u>1,909</u>

Notes to Financial Statements

7 Shareholders' Equity

	Note	Number of shares (thousands)	Share capital	Retained earnings	Total
Opening Balance June 26, 2015		-	-	-	-
Issuance of New Shares	7	1,000	1,000	-	1,000
Total comprehensive income for the period	7	-	-	(250)	(250)
Share capital increase	7	99,000	99,000	-	99,000
Share capital decreases	7	(98,000)	(98,000)	-	(98,000)
Balance December 31, 2015		2,000	2,000	(250)	1,750

The total authorised number of ordinary shares as at December, 31, 2015, is 2.000.000 of Grivalia Class Shares with a nominal value of (amount in €) €1 per share. All shares are subscribed and fully paid up for a total amount of €2.000.

The Company was established in June 26, 2015. The issued share capital of the Company was to €1.000 and represented by 1.000.000 Grivalia class shares (hereafter the "Grivalia Class Shares"), each with a nominal value (amount in €) of €1. The authorized un-issued share capital of the Company was €99.000 to be represented by 99.000.000 shares of any class.

On July 10, 2015 the Extraordinary Shareholders Meeting decided to increase the issued share capital of the Company by €99.000 so as to bring it from an amount of €1.000 to €100.000 by the issue of 99.000.000 new Grivalia Class Shares with a nominal value of (amount in €) €1 per share. All shares were fully paid up amounting to €100.000.

On July 31, 2015 the Extraordinary Shareholders Meeting decided the reduction of the issued share capital of the Company by an amount €60.000 so as to bring it from an amount of €100.000 to €40.000 by the cancellation of 60.000.000 shares with a nominal value of (amount in €) €1 each repaid to the Sole Shareholder.

On December 16, 2015 the Extraordinary Shareholders Meeting decided the reduction of the issued share capital of the Company by an amount €38.000 so as to bring it from to an amount of €40.000 to €2.000 by the cancellation of 38.000.000 shares with a nominal value of (amount in €) €1 each repaid to the Sole Shareholder.

Notes to Financial Statements

8 Trade and other payables

The trade and other payables are composed as follows:

	<u>31/12/2015</u>
Other payables	156
Trade and other payables	<u>156</u>

Other payables mainly include fees due for legal services provided to the Company.

Below is the maturity of payables:

	<u>31/12/2015</u>
Trade payables	
Due within due date	153
Past due but not impaired:	
- 4 to 6 months	3
- over 6 months	-
Trade payables	<u>156</u>

9 Administrative and other expenses

Other expenses amounting to €245 mainly relate to professional fees relating to the establishment of the Company (notary and legal fees) as well as third party professional fees relating to the operations of the Company (valuation expenses, fees for technical due diligence, fees for legal due diligence, accountants).

10 Income tax

	<u>31/12/2015</u>
Current income tax	3
Other taxes relating to investment property	-
Taxes	<u>3</u>

11 Related party Transactions

The Company is fully controlled by Grivalia Properties REIC (incorporated in Athens and listed on the Athens Stock Exchange, Greece) with 100% participation.

The main shareholders of the Grivalia Properties REIC are Eurobank Ergasias S.A. (holding 20,48% of the share capital) and Fairfax Financial Holdings Limited (holding 41,50% of the share capital)

All transactions with related parties are entered into in the normal course of business on an arm's length basis.

As at December 31st, 2015 the Company has the following balances with related parties:

Notes to Financial Statements

a) Period-end balances arising from transactions with related parties

	<u>31/12/2015</u>
Cash and cash equivalents	
Bank Eurobank Ergasias S.A.	1,420
Eurobank Private Bank Luxembourg S.A.	<u>489</u>
	<u>1,909</u>

b) Commitments and contingent liabilities

There are no commitments and contingent liabilities between the Company and related parties.

12 Events after the balance sheet date

No significant events have taken place after December 31, 2015, that affect the financial position of the Company that need to be mentioned according to the International Financial Reporting Standards.