



**alphatrust andromeda**

## **ANNUAL FINANCIAL REPORT**

FOR THE FISCAL YEAR FROM JANUARY 1 UNTIL DECEMBER 31 2016

INVESTMENT TRUST

HCMC License No: 5/192/6.6.2000 General Commercial Register No 003882701000

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**STATEMENTS BY THE BoD's REPRESENTATIVES**

*(in accordance with article 4, paragraph 2 of Law 3556/2007)*

We, the members of the Board of Directors of «ALPHA TRUST- ANDROMEDA INVESTMENT TRUST»:

1. Faidon – Theodoros Tamvakakis, son of Demetrios, Vice-chairman
2. Konstantinos Tzinieris son of Nikolaos, Managing Director
3. Nikolaos Kyriazis, son of Kontantinos, Director

Under our aforementioned authority, having been specifically assigned for this purpose from the Board of Directors of the Societe Anonyme under the corporate name “ALPHA TRUST-ANDROMEDA INVESTMENT TRUST” (hereinafter referred to as the “Company” or “ALPHA TRUST ANDROMEDA SA” declare that to the best of our knowledge:

a. The annual financial statements of «ALPHA TRUST- ANDROMEDA S.A.» for the fiscal year 01/01/2016 to 31/12/2016, that were prepared according to the current accounting standards, depict in a true manner the figures of the Statement of Financial Position, the Income Statement and the Statement of Comprehensive Income and the Statement of Changes in Equity.

b. The Annual Report of the Company's BoD depicts in a true manner the evolution, the performance and the position of the Company, including the description of the main risks and uncertainties facing the company.

Kifissia, March 2, 2017

The declarants

Phaedon – Theodoros  
Tamvakakis

Konstantinos Tzinieris

Nikolaos Kiriazis

Vice-chairman of the BoD

Managing Director

Member of the BoD



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## ANNUAL REPORT OF THE BOARD OF DIRECTORS

In 2016 the Greek stock market has presented an increased volatility while remaining in direct correlation with international markets. Finally, the Athens Exchange General Index marked earnings of 1,95% closing the year at 643.64 points. During the first half of the year, investment interest remained low as the uncertainty on the completion of the first review of the Third Economic Adjustment Programme has led the General Index to a historic low of almost 30 years, reaching 420 points. Eventually, the closing of the first review was partly completed in June but the investment euphoria was halted by the result of the British referendum.

During the second half of 2016, the stock market has started a slow rise underpinned by the completion of the first review, the expectations for a faster completion of the second review within the year, the announcement of the short-term measures relating to the Greek debt and the improvement of the domestic economic environment. In the second quarter of the year the Greek economy had already showed the first signs of recovery with the GDP growing by 0.8% on a quarterly basis according to seasonally adjusted data in the third quarter. Moreover, the outcome of the US elections triggered a new upward movement in international equity markets and the positive influence was also felt by the Greek Stock Exchange. These positive developments were partly offset in December with the market mainly focusing on disagreements between Greece and the Institutions after the announcement of exceptional support measures by the government.

The main investment picks of the portfolio remain oriented towards companies of smaller capitalisation although with qualitative characteristics and strong fundamentals, thus contributing to the portfolio's overperformance compared to the Athens Exchange General Index. Thus, the successful investment selection in stocks and bonds combined with an effective management have contributed to the achievement of gains (8.51%) in the fiscal year 2016.

Index	31/12/2016	31/12/2015	Change	Change%
ATHEX GENERAL INDEX	643.64	631.35	12.29	1.95%
ATHEX COMPOSITE INDEX TOTAL RETURN INDEX	981.85	939.41	42.44	4.52%
FTSE/X.A. LARGE CAP	1,740.86	1,833.40	-92.54	-5.05%
ATHEX MID – SMALL CAP	1,675.92	2,171.96	-496.04	-22.84%
FTSE/ATHEX MID CAP	753.69	816.44	-62.75	-7.69%
FTSE/ATHEX BANKS	837.94	1,178.40	-340.46	-28.89%

### Evolution, performance and company market standing

The following table presents the return of the Company's Net Asset Value (NAV) during the fiscal year as well as its industry ranking.

<b>List of Prices of Listed Investment Trust Companies as at 31/12/2016</b>						
<b>A/A</b>		<b>Share price in €</b>	<b>Net Asset Value in €</b>	<b>Premium (Discount)</b>	<b>NAV return since 31/12/15</b>	<b>Net Assets in € (NAV)</b>
1	ALPHA TRUST ANDROMEDA S.A.	14,00	21,48	-34,82%	8,51%	8.970.302,68
2	AEOLIAN S.A.	0,61	0,81	-24,69%	-17,94%	9.025.093,55
						<b>17.995.396,23</b>
<b>WEIGHTED AVERAGE (based on NAV) PRICE PREMIUM / DISCOUNT</b>						<b>29,74%</b>
<b>WEIGHTED AVERAGE (based on NAV) RETURN OF INVESTMENT COMPANIES since 31/12/15</b>						<b>4,76%</b>
<b>ARITHMETIC MEAN RETURN OF INVESTMENT COMPANIES since 31/12/15</b>						<b>-0,05%</b>

From this table, which presents information from the Institutional Investors Association, the following is of note:

At the end of 2016, the weighted average discount of all Portfolio Management Companies was 29.74%, while the weighted average return from the beginning of the year stood at 4.76% and the arithmetic mean return stood at -0.05%.

Net Asset Value returns during fiscal year 2016 were negative for all industry peers, ranging from -17.94% to 8.51%. Our company's return stood at 8.51%.

It is also noted that the assets of all Portfolio Management Companies in the industry as of 31/12/2016 stood at 17.99 million euro, compared to approximately 19.26 million euro at the end of 2015, while on 31/12/2014 they stood at 22.24 million euro.

The General Index of ATHEX has marked a rise by 1.95% from the beginning of the year, the Total Return Index of the Athex has risen by 4.52% and the FTSE/ATHEX Large Cap has marked a decline of -5.05% in the same period.

As regards the company's investment management, it should be noted that the Company aims at achieving satisfactory returns for its shareholders, through capital gains and portfolio revenues, investing in stocks and other transferable securities of mainly Greek issuers. The investment policy is implemented by the Managing Company ALPHA TRUST MUTUAL FUND and ALTERNATIVE INVESTMENT FUND MANAGEMENT S.A. (ALPHA TRUST), with the participation and use of skills of all members of the investment team, aiming at the best selections, and combining capital distribution, selection of securities, portfolio composition and risk management.



On 31/12/2016 the Company's portfolio at market values was invested by 85.03% in domestic stocks (including treasury shares), by 8.36% in domestic bonds and by 6.61% in cash (after deduction of liabilities).

The Company's top five equity holdings at the end of the fiscal year 2016, consist of THRACE PLASTICS, QUEST HOLDINGS, OPAP, MYTILINAIOS and SARANTIS. More details on the company's investments are available in the Investment Table dated 31/12/2016.

Finally, please note that the Company was present or represented and exercised its voting rights as a shareholder in most of the General Meetings of the issuing companies in which it participates.

As to the most significant part of our report, namely Company performance and result, we should note that in the framework of the stock market conditions prevailing in 2016, particularly in the second half of the year, the year closed with a profit. The return of the net asset value stood at 8.51% and the year closed with gains of 0.76 million euro. The Company's net asset value par share on 31.12.2016 was 21.48 euro.

Gross income for the year stood at approximately 1.20 million euro. Such income occurred mainly from gains from the valuation of securities at fair values based on IFRS and gains from the purchase and sale of securities, amounting to 1.00 million euro and gains from portfolio revenues amounting to approximately 0.20 million euro. The above portfolio revenues consist of bond interest of 0.027 million euro, yield of cash investments of 0.001 mil. euro, and share dividends of 0.172 million euro.

The expenses for the year stood at 0.44 million euro approximately, compared to approximately 0.49 mil euro in 2015 and are analyzed as follows: Administrative expenses of 0.27 mil euro, which include third party fees and other operating expenses; portfolio management expenses of euro 0.17 mil, including management fees, the custodian fees, the expenses for the purchase and sale of securities, a part of the taxes and other relevant expenses; finally, other extraordinary expenses, which stood at 0.00063 mil. euro.

The Company's results before tax for its fifteenth fiscal year amounted to gains of 0.76 mil. euro and net of the tax provided for under law 4389/2016 based on ΠΟΛ 1074/2016 (0.75% of the current value of assets) they stood at 0.7 mil euro compared to losses of 1.05 mil euro in 2015.

It is noteworthy that in accordance with the International Accounting Standards, the portfolio's appreciation as at 31/12/2016, which amounted at euro 1.52 mil euro, compared to an appreciation of 0.02 mil. Euro in 2015, was accounted for in the operating result.

The Company's assets at the end of 2016 stood at 8.96 mi. euro.

### **Purchase of treasury shares**

The decision of the Company's Ordinary General Shareholder's Meeting dated 7/6/2016 approved the purchase of treasury shares, in accordance with the provisions of article 16 of law 2190/1920, as amended by law 3604/2007, with the purpose of canceling them, under the following terms and conditions:

- i) purchase of treasury shares up to 10% of the total outstanding shares of the company at any given time.
- ii) Upper limit for acquisition is set at euro 50,00 euro and lower limit is set at 1,00 euro.

iii) The share buyback period is set to 24 months, i.e. until 6/6/2018.

With its letter dated 23.12.2016 to the Hellenic Capital Market Commission, the Company has disclosed the decision of its BoD dated 22.12.2016, pursuant to which the Company, due to the limited volume of trade of its stock, proceeds to purchases of treasury shares since 27.12.2016, until reaching 10% of the total outstanding shares, without necessarily complying with the exemption provisions provided for under article 5 of Regulation (EU) 596/2014 of the European Parliament and of the Council.

On 31/12/2016 the Company owned 633 treasury shares, with an average acquisition price of 13.53 euro per share, a percentage of 0.1516 % of the total shares of the Company.

### **Corporate Governance Statement for the fiscal year 01/01/2016-31/12/2016**

#### **1) Statement of compliance with the Corporate Governance Code in accordance with par. 3d, article 43<sup>α</sup> of codified law 2190/1920**

The Company applies the principles of corporate governance, as these are provided for under Greece's current legislation.

The Code of Corporate Governance of ALPHA TRUST- ANDROMEDA S.A., (hereinafter referred to as the "Code"), was drafted according to the provisions of article 43<sup>α</sup> of codified law 2190/1920, as in effect and as amended by paragraph 2 of article 2 of law 3873/2010, and its main targets include greater transparency, the establishment of best governing practices in the Company's operation and finally the improvement of the information provided to private and institutional investors and their reinforced participation in the company affairs.

The Code has been drafted at the initiative of the BoD following the decision dated 28/3/2011, as provided for in aa), case d, par. 3 of the article 43<sup>α</sup> of codified law 2190/1920, (pursuant to the legislation in force L.2190/1920, L.3016/2002, L.3091/2002, L.3693/2008, L.3884/2010, e.tc.), and will be applied by the Company until any possible amendment. The Company does not implement any additional corporate governance practices beyond those that the law assigns and for the fiscal year 1.1.2016-31.12.2016 it applied the provisions of the Code of Corporate Governance it has adopted at its own initiative.

The integral text of the Code is available to the public at the Company's website <http://www.andromeda.eu>. The Company may proceed to amendments in the Code and in the Corporate Governance Principles, for which it will inform the investment community through the relevant notices on its website.

#### **2) Description of the main characteristics of the systems of internal audit and risk management of the Company in relation to the financial statements preparation process.**

The Company's Internal Audit System consists of all the policies, procedures, tasks, behaviors and other elements characterizing the Company, which are applied by the BoD and all those associated in its

operation. The Internal Audit System consists of audit and control mechanisms aiming at the proper operation of the Company.

In the framework of the effective operation of the Internal Audit System:

**a.** The Company has adopted systems and procedures for auditing and managing risks regarding the proper preparation of the financial statements and the proper presentation of its financial volumes. These include:

- Implementation of unified accounting applications and procedures and their constant upgrading.
- Procedures safeguarding the proper and complete recognition of the Company's transactions, in accordance with the International Financial Reporting Standards.
- Constant training and development of personnel and external associates.
- Realization of deletions and creation of reserves / provisions, in a timely and coherent manner.
- Procedure for limiting the possibility to access and revise the accounting plan used, so as to guarantee its integrity.
- The preparation and provision to the Management on a monthly basis of detailed information on the results.

In addition, regarding the procedure for the preparation of the financial statements, it is noted that the Internal Audit that is conducted systematically during the whole fiscal year, under the supervision and surveillance of the Audit Committee, guarantees the presentation of the true financial situation of the Company in the financial statements.

All financial statements are approved by the BoD before being published.

**b.** With the intent of limiting risks in relation to the use of financial instruments, the Company's Board of Directors, according to Decision no. 3/645/30.04.2013 of the Board of Directors of the Capital Market Commission, specified the procedures and assigned portfolio risk management services via a Contract dated 15/01/2016 to the managing company ALPHA TRUST, which uses portfolio risk management systems that correspond to the Company's portfolio risk profile, so as to ensure that all the basic risks such as market risk, credit risk, liquidity risk and counterparty risk are measured correctly.

Market risk: In order to calculate the market risk of the portfolio assets, according to the above decision, the Value-at-Risk approach is followed, using the Historical VaR methodology. The program used for the calculation of VaR, is provided by the company Effect S.A..

The value-at-risk approach is applied to the portfolio of the Investment Trust and its benchmark index on a daily basis, taking into account the following parameters:

- Confidence level of 99%

- tracking period of risk factors of one (1) year (two hundred and fifty working days) from the date of calculation,
- investment horizon of one (1) month (twenty (20) working days)
- the portfolio value-at-risk should be expressed as a proportion (%) of the Company's current value,
- checking that the portfolio's Value-at-Risk is not more than twice the Value-at-Risk of the benchmark portfolio, in order to ensure the Company's total leverage ratio remains under 2.

The Historical VaR methodology is described in detail in the User Manual of the program of the company Effect.

Furthermore, the Company implements a program of retrospective controls (**Back Testing**), allowing it to compare the measurements of value-at-risk it has calculated against the daily change of the value of the Investment Trust's portfolio at the end of the following working day.

Additionally, the Company implements a system of **stress testing**, based on strict and sufficient criteria for risk calculation. These tests are applied on a monthly basis, using the portfolio composition of the last working day of the previous month, and focusing on risks that may emerge due to specific extreme historic scenarios or under conditions of unlikely changes. The stress tests focus on risks not fully covered by the value-at-risk method.

- **Credit Risk:** To evaluate the credit risk, portfolio allocation is used by credit rating obtained through Bloomberg, which arises from the composition of credit ratings, as these are provided by the four major credit rating firms (S&P, Moody's, Fitch and DBRS). In case the result is between two credit ratings, the lower one is used.

- **Liquidity Risk:** Liquidity risk pertains to the extent at which an investment position or part of the portfolio can be liquidated. For a given portfolio composition, the percentage that can be liquidated per day and the necessary period for full portfolio liquidation are estimated, based on the merchantability of individual positions therein (source: Bloomberg). For conservative approach purposes, it is considered that a share volume exceeding one third of the average daily trading volume during the last quarter cannot be liquidated. As regards bonds and derivatives in case these are included in the company's portfolio, it will be calculated where applicable.

- **Counterparty Risk:** To measure this specific risk, the portfolio's equity (debit/ credit) is calculated on a daily basis to each counterparty, capturing daily receivables/ obligations to such counterparty. Regarding actions with derivatives of financial instruments that are non-negotiable on an organized market, the Decision determines that the risk per counterparty is calculated based on the value-at-risk, in the event the counterparty does not fulfill its obligations. The Company does not carry out transactions on derivatives of financial instruments that are non-negotiable on an organized market, and for this reason it does not follow the provisions of the Decision regarding the measurement of counterparty risk in related actions based on

value-at-risk. In the event that it proceeds with relevant actions, it is obliged to calculate the counterparty risk based on the value-at-risk according to the Decision.

**Operational risk:** Operational risk is the risk linked to the possibility of occurrence of a direct or indirect damage from a variety of factors linked to the Company's internal procedures, its IT systems and infrastructure but also external factors such as the various providers, the institutional framework and the generally accepted standards of investment management behavior.

A part from the portfolio risks, the following risk is also examined:

- **Assignment risk:** The BoD estimates that the risk of assigning activities to an external associate via a contract is virtually negligible, given that:

- a) these contracts are regularly renewed on an annual basis from the Ordinary General Shareholders Meeting.
- b) the Managing Director is regularly informed, monitoring the daily execution of these contracts and,
- c) The internal audit service that directly monitors their execution, under the supervision of the Audit Committee, minimizes the possibility that a relevant risk should emerge.

The Internal Audit Service plays an important role in the monitoring of the implementation of the Internal Audit System and constitutes a unit which is independent from the other service units of the Company, being administratively subjected and referring directly to the Managing Director. It is under the operational supervision and control of the Audit Committee.

The duties of the Service are defined in the Company's Internal Rules. The total of the auditing mechanisms and procedures recorded cover all the spectrum of the daily operations of the Company and are implemented in accordance to the laws and decisions of the Hellenic Capital Market Commission, as in force each time

During the fiscal year 2016, Ms Eleni Routsis was employed in the internal audit department on a full time basis, which, as it was mentioned above, is supervised by the Audit Committee that also monitors the Company's risk management system.

**3) Information elements required in accordance to article 10 par.1, c), d), f), h) and l) of Directive 2004/25/EC of the Council of 21 April 2004 concerning takeover bids, provided the company is subject to this Directive.**

There has not been any case of takeover or public takeover during the fiscal year 2016.

**4) Information elements on the operation of the Shareholders' General Meeting and its main powers, and description of the rights of shareholders and of the manner to exercise them.**

The Law on Societes Anonymes provides for important rights for minority shareholders. In accordance to law 2190/1920, as amended and currently in force, shareholders representing 1/20 of paid up share capital may

ask for an extraordinary Shareholders' General Meeting and add bullets on the agenda. A reinforced quorum and majority is required in order to resolve on important matters, such as the amendment of certain provisions of the articles of association.

The amendments in law 2190/1920, brought about by the new law 3884/2010 concerning listed companies, guarantee the timely information of shareholders on their rights as well as on the bullets of the agenda before the General Meeting.

In accordance with the provisions of law 3884/2010, the Company should upload on its website, at least twenty (20) days before the General Meeting, information regarding the following:

- The date, time and place where the General Meeting has been convened.
- The main rules and participation practices, including the right to insert bullets on the agenda and to submit questions, as well as the deadlines within which these rights may be exercised.
- The voting procedures, the representation terms via a proxy and the documents used in order to vote by proxy.
- The proposed agenda of the meeting, including any draft decisions to be discussed and voted, as well as any accompanying documents.
- The proposed list of candidate members of the BoD and their CV's (provided there will be election of members), and
- The total number of shares and voting rights at the date of convening.

The decisions of the Shareholders' General Meeting, including the results of the vote for all its decisions, are uploaded on the Company's website within five (5) days from the Shareholders' General Meeting.

The Chairman of the Company's Board of Directors, the Managing Director and the Chairmen of the Board of Directors' Committees, as well as the internal auditor and the regular auditor should at least be present in the Shareholders' General Meeting in order to provide information on issues of their competence raised and to answer questions or provide clarifications asked for by the shareholders.

### ***Main powers of the General Meeting***

**a.** The Shareholders' General Meeting is its highest body and is entitled to resolve on any matter regarding the Company. Its decisions also engage the shareholders who were absent or disagreed.

**b.** The General Meeting is the only body competent to decide on the following:

1. Amendments of the Articles of Association and these include the increase or decrease of the share capital, subject to the provisions of Article 5 of its Articles of Association.
2. Election of the members of the Board of Directors.
3. Approval of the annual financial statements of the Company.

4. Disposal of revenue of each year.
5. Issuance of debt via bonds as well as via bonds convertible into shares.
6. Merger, split, conversion, revival, extension of the term or dissolution of the Company.
7. Appointment of liquidators and
8. Election of auditors.

c. The provisions of the previous paragraph do not include: a) increases decided in accordance to paragraphs 1 and 14 of article 13 of codified law 2190/1920 by the Board of Directors as well as increases imposed by the provisions of other laws, b) the modification of the articles of association by the Board of Directors according to par. 5 of article 11, par. 2 of article 13a and 13 of article 13 and par. 4 of article 17b of codified law 2190/1920, c) the appointment of the first Board of Directors, d) the election, according to the articles of association and par. 7 of article 18 of codified law 2190/1920, of consultants in replacement of others who have resigned, deceased or lost their capacity for any other reason, e) the absorption, in accordance to article 78 of codified law 2190/1920 of a societate anonime by another societate anonime holding 100% of its shares and f) the possibility to distribute profit or discretionary reserves in the current fiscal year through a decision by the Board of Directors, provided a relative approval by the ordinary general meeting has been given.

#### ***Shareholders' rights and manner of exercise***

Any shareholder appearing in this capacity in the records of the entity keeping the transferable securities of the Company may participate and vote in the General Meeting. The exercise of said rights does not assume the blocking of the shares nor the keeping of a relative procedure. Shareholders entitled to participate in the General Meeting may be represented by a legally authorized proxy.

The rights of the Company shareholders derived from their share are proportionate to the capital percentage which corresponds to the paid up value of the shares. Every share provides all the rights stipulated by codified law 2190/1920 as amended and currently in force, as well as by the Company's articles of association.

#### **5) Composition and manner of operation of the Board of Directors and of any other administrative, managing or supervisory bodies or committees of the Company.**

The Board of Directors of ALPHA TRUST-ANDROMEDA S.A., is obliged to follow all corporate governance principles. Today the BoD consists of one (1) executive member, that can be employed by the Company or provide its services to it and six (6) non executive members that exclusively execute the task assigned to the members of the Board of Directors. Three out of four non executive members fulfill the conditions set out under L. 3693/2008 and have been appointed as members of the Audit Committee.

The executive member of the Board of Directors is qualified and assigned with the responsibility to carry out the decisions of the BoD decisions along with the continuous observation of the Company's operations. The non executive members of the BoD are assigned with the duty of promoting the full spectrum of the

Company's operations. During the fiscal year of 2016 the BoD held 13 meetings and the main issues of those meetings were the course of business of the Company, the approval of fees and other expenses, the approval of financial statements, the convening of the Annual Ordinary General Meeting, the work of committees and internal audit and other issues related to the activities of the Company. The Company's Board of Directors is composed as follows:

<b>CHAIRMAN:</b>	Alexander Zagoreos, independent non executive member
<b>VICE-CHAIRMAN:</b>	Phaedon-Theodoros Tamvakakis, non executive member
<b>MANAGING DIRECTOR:</b>	Konstantinos Tzinieris, executive member
<b>MEMBERS:</b>	Alexios Soutlogiannis, independent non executive member
	Anastasios Adam, independent non executive member
	James Edward Jordan, independent non executive member
	Nikolaos Kiriazis, independent non executive member

A brief CV of the members of the Board of Directors follows:

**Zagoreos Alexander – Chairman, independent non-executive member**

Born in 1937 in N. York. He has received an MBA and a Masters of International Affairs from Columbia University. He is a retired senior advisor to Lazard Asset Management, where until 2006 he has been a Partner and Managing Director.

He joined Lazard Freres and Co in 1977 and during his career he has been responsible for the setting up and management of some global and emerging market funds. Before joining Lazard he had been Vice-chairman of Reynolds and Co and Model, Ronald & Co., and financial analyst at Esso International.

He participates in the BoDs of the following Funds: The World Trust Fund, Aberdeen Emerging Smaller Companies Opportunities Fund, Alpha Trust Andromeda Fund.

Mr Zagoreos also participates in the BoDs of non-profit institutions.

**Phaedon Tamvakakis – Vice chairman, non executive member**

Born in 1960 in Alexandria, Egypt. Co-founder of Alpha Trust Investment Services S.A. (1987). Vice-Chairman of the BoD of ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A. Member of the BoD of TAYLOR YOUNG INVESTMENT MANAGEMENT LIMITED. Co-founder of Alpha Trust Andromeda (2000) and Vice chairman of the BoD and Managing Director of Plant and Growth S.A, Member of the BoD of ID HOLDINGS S.A., Member of the Investment Committee of the Cross-Guarantee Fund for the Security of Investment Services , Member of the BoD of Quest Holdings S.A, Vice-Chairman of the BoD of BRIQ PROPERTIES S.A. Investments in Immovable Property, Member of the BoD of various companies and charitable foundations. M.A. in Investment & Finance, Exeter University.

**Tzinieris Konstantinos – Managing Director, executive member**

He was born in 1944 in Lagadia, Arkadia. He graduated from the School of Higher Industrial Studies of Piraeus, Faculty of Business Administration. He is retired. He has worked on the organization and the



administration of enterprises and has been, inter alia, a Secretary-General of the Ministry of Commerce, a Chairman of the Fertilizers Industry A.E.B.A.Λ., Managing Director of the Duty Free Shops S.A., Managing Director of ALPHA TRUST Orion Closed End fund and Chairman of ALPHA TRUST- ANDROMEDA S.A.

**Alexios Soutogiannis, independent non executive member**

Born in 1964 in Thessaloniki. Graduated from the faculty of Mechanical Engineers, Aristoteleio University of Thessaloniki, Master's in Engineering, Carleton Institute, Canada and MBA on Finance, University of Massachusetts, USA. He has an experience of over 20 years in the financial area, having served as General Director in Metlife Alico Mutual Fund Management SA, CIO of AMUNDI HELLAS Mutual Fund Management SA, CIO of Private Banking Division of Peiraios Bank, as well as Deputy CRO, Management Consultant in the General Directorate of Risk Management of the National Bank of Greece Group. From 1993 to 2000 he has worked in London in investment banks such as J.P. Morgan, UBS, ABN - Amro NV occupying high managerial posts. From 2010 he is the Chairman of the Investment Committee of the Professional Fund of Greek Posts (TEA EΛTA) and in the past he has been an executive director of the BoD of Alpha Trust Mutual Fund Management SA.

**Anastasios (Stacy) Adam, independent non executive member**

He was born in 1964 in La Ceiba, Honduras. Mr. Adam has joined Optima Fund Management in 2003 and has a total experience of 26 years in the financial field. After joining Optima he established the fund Optima Emerging Markets. Before Optima, Mr. Adam had established an advisory firm for hedge funds focusing on emerging markets' assets. His investment and banking experience ranges from stock analysis (ranked best analyst in Baring Securities), to sales and negotiation, (responsible of Salomon Brothers' office of European emerging markets – now part of Citigroup in New York, established the Company's emerging markets office in London), also including corporate finance (responsible for Greece and the Balkans for Merrill Lynch in London). Mr. Adam has also been a member of the Investment Committee of Proodos Greek Investments S.A., one of the leading Greek Investment Trust Companies.

**James Edward Jordan – independent non executive member**

He was born in 1944 in Florida, USA. James E. Jordan has been an executive and an active manager in a multitude of public companies, venture capitals and non profit organisations. Mr. Jordan retired in 2006 under his capacity of Managing Director of Arnhold and S. Bleichroeder Advisers, Inc., ("ASB"), a private capital management firm established 20 years ago, with capital under management amounting to approximately \$ 50 billion in the form of mutual funds, fund of funds and hedge funds. ASB is particularly known as the manager of the First Eagle funds, and he continues to be a manager of these funds. Before joining ABS he has been an advisor in The Jordan Company ("TJC"), a private investment banking firm. During these years, he has been a Chairman and Head of Investments of the William Penn capital, a mutual fund firm from Reading, Pennsylvania, of which he was a co-founder together with his partners from The Jordan Company. The firm William Penn was sold with great success in 1997 to Federated Funds. On behalf

of TJC, in 1984 Mr. Jordan helped in the establishment of JZ Capital Partners, Inc., an investment firm in the form of a trust and a capital of \$ 500 millions that is currently headquartered in Guernsey and traded in the London Stock Exchange, while he continues to be a manager of JZ Capital. Mr. Jordan has been an executive of Leucadia National Corporation ("LUK" in the New York Stock Exchange), from 1978. He has also been a manager of Florida East Coast Industries, Inc, a company of railway and land management until its sale in 2007, and a manager of Consolidated - Tomoka Land Company, a land development firm headquartered in Daytona Beach, Florida. Mr. Jordan is an active member of environmental organisations and he is the Chairman of the Conservation International, and a member of the BoD of Pro Natura de Yucatan. He is also keen in the conservation of spaces of historic interest, occupying the post of Vice chairman of the World Monuments Fund. He possesses a BA from South Florida University, and an MA, MIA, and MBA from Columbia University, where he has served for many years as a member of the Advisory Committee of the Rector of the School of International and Public Affairs.

#### **Kiriazis Nikolaos – independent non executive member**

Born in Athens in 1952, he is an economist who graduated and got his PhD from the School of Economic, Legal and Political Sciences of the University of Bonn. He is a professor in the University of Thessaly and has a rich work as an author. He is Vice-Chairman of the BoD of ERGOMAN A.E. he has served as Chairman of ALPHA TRUST Orion Close end fund, Vice-chairman of ALPHA TRUST-ANDROMEDA S.A. and visiting professor of the Harvard and Trier University.

The First Repeat Ordinary General Shareholders Meeting dated 20.4.2015 has elected a new BoD due to the expiry of its mandate and has appointed as independent members, pursuant to law 3016/2002, as amended and in force, M. Nikolaos Kiriazis, Alexios Soultogiannis, Alexander Zagoreos, Anastasios Adam and James Edward Jordan. The BoD, with the corresponding powers of its members which were appointed in the General Meeting mentioned above, has been constituted on 20.4.2015.

The BoD's term of office is three years and shall expire at the Ordinary General Shareholders Meeting of 2018.

The BoD's composition is characterized by a variety of skills, points of view, abilities, knowledge, qualifications and experience, as shown by the scientific background, the professional occupation and the experience of the BoD's members, aiming at serving the Company's goals in the best possible manner.

#### ***Audit Committee***

The Audit Committee consists of three independent non executive members and its mission is a) monitor the financial reporting process, b) monitor the efficient operation of the internal audit system, the risk management system as well as to monitor the proper functioning of the Internal Audit department, c) to monitor the process of the statutory audit of the company's parent and consolidated financial statements and d) to supervise and monitor issues regarding the existence and upholding of the objectivity and

independence of the statutory accountant-auditor or the audit firm, especially as regards the provision of other services to the Company by the statutory auditor or the audit firm.

The Company in its Annual First Repeat Ordinary General Shareholders Meeting of 20.4.2015 has elected an Audit Committee consisting of the following BoD's members:

- Nikolaos Kyriazis
- Alexander Zagoreos
- Anastasios Adam

The Audit Committee held four (4) meetings during the fiscal year 2016.

#### ***Investment Committee***

The Board of Directors appoints an «Investment Committee», comprised by three independent non executive members. The Investment Committee appoints one of its members as chairman.

The Investment Committee, in accordance with the decision of the Board of Directors, has an exclusively advisory nature; it investigates and monitors the general investment policy, it discusses issues regarding the conditions prevailing in the wider investing environment and assesses its future course in the short and long-term.

The Investment Committee is informed via a relative report on the risk exposure of the Company's portfolio and on the correlation between return and risk. The Board of Directors is informed on these issues during its ordinary meetings.

The Investment Committee also plays a role in the monitoring and assessment of the Management, at least once per semester, by submitting a report to the BoD.

The Company's Internal Rules comprise also the Investment Committees' Rules of Operation, which holds at least one meeting per month and is comprised of the following:

- Alexios Soultogiannis
- Anastasios Adam
- James Edward Jordan

It is noted that pursuant to decision of the Company's BoD dated 20/4/2015, Mr Alexios Soultogiannis was appointed on 1/5/2015 as a new member of the Investment Committee, also exercising the duties of Chairman.

Ms Panagiota Zagari is also present at the meetings of the Committee, having been appointed as portfolio manager by the managing company ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A.

The Investment Committee held twelve (12) meetings during the fiscal year 2016.

### **Portfolio Management Agreement**

By virtue of a decision of the Company's BoD dated 17.12.2015 the Management Agreement with ALPHA TRUST was amended, applicable from 1.1.2016. Said Agreement was submitted for approval by the Ordinary General Shareholders Meeting convened on 7.6.2016.

### **Related Parties Transactions and other important contracts**

Based on IAS 24, according to which related is a party that has the ability to control or to exercise significant influence over the company's financial or operating decisions, the following should be stated:

- The Company's portfolio management as well as risk management (Investment Management), according to decision of its Board of Directors dated 17/12/2015, has been assigned under a "Management Agreement of an Alternative Investment Fund", to ALPHA TRUST. The latter has performed such management during the period 1/01-31/12/2016 based on the investment policy that has been determined. The term of this agreement, which was approved by the Ordinary General Shareholders Meeting on 07/6/2016 pursuant to the provisions of Law 3371/2005, unless terminated, will be automatically renewed for one year each time, upon approval of the ordinary general meeting of shareholders. The Board of Directors has also designated an Investment Committee, which has an exclusively advisory nature as regards investment issues of the Company. For these services, the fees to ALPHA TRUST are set at 1.5% p.a. on the daily market value of the ANDROMEDA portfolio, as this arises from the daily list of investments, incremented by any receivables and reduced by any obligations from the purchase of securities. Should the achieved annual percentage performance of "ANDROMEDA", be positive, "ALPHA TRUST" will be entitled to an additional fee ("success fee") amounting to 20% of the achieved positive performance.
- By virtue of the above agreement, ALPHA TRUST was assigned with the provision of administrative services as defined in article 6, law 4209/2013, which include legal services, accounting services, shareholders' help desk services, checking of compliance with regulatory provisions, other administrative services, advertising, commercial promotion, e.tc. For these services the fee of ALPHA TRUST is set to 4,265.00€ monthly plus VAT.
- The Company has entered into a loan agreement of a salaried employee from ALPHA TRUST whom it employs as an internal auditor.
- The lessor of the company's headquarters is ALPHA TRUST ELLINIKI GI S.A. KTIMATIKI for the new offices at 21 Tatoiou st., Kifissia and is considered a related party due to the relation with ALPHA TRUST.
- The Shareholders' Ordinary General Meeting pre-approves the fees to the Board of Directors as well as the Managing Directors' fees.
- The BoD members state that they do not participate in the management or the capital of other companies to a percentage over 10% nor do they exercise administrative influence. Furthermore, no

business relationships, contracts, agreements or transactions exist between the company and the companies in whose capital and management the members of the Board of Directors and/or the company's main shareholders are involved, which have not arisen as part of their normal activity, with the following exceptions:

- Mr. Alexander Zagoreos is a member of the BoD of: The World Trust Fund, Aberdeen Emerging Smaller Companies Opportunities Fund, Alpha Trust Andromeda Fund.
- Mr Phaedon – Theodoros Tamvakakis is the Vice chairman of ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A and participates in its share capital by 20.492%. He is the Chairman and Managing Director of the company «Plant and Growth S.A.» and participates in its share capital by 67.61%, he is a member of the BoD of ID HOLDINGS S.A. and participates in its share capital by 100%. He is an independent non executive member of the company «Quest Holdings SA», Vice-Chairman of the BoD-independent non executive member of BRIQ PROPERTIES S.A. Investment in Immovable Property, non executive member of the BoD of the company «Taylor Young Investment Management Limited».
- Mr. Anastasios Adam is the Managing Director of the company «Optima Fund Management LLC» (New York).
- Mr. Nikolaos Kyriazis is the vice chairman and non executive member of the BoD of «Ergoman S.A.».
- Mr James Edward Jordan is a member of the BoD of THE FIRST EAGLE FAMILY OF MUTUAL FUNDS and JZ CAPITAL PARTNERS, LLC (GUERNSEY INVESTMENT TRUST COMPANY).

Transactions with related parties for the period 01/01/2016-31/12/2016 are as follows:

#### Presentation in the Statement of Comprehensive Income

	<u>31/12/2016</u>	<u>31/12/2015</u>
<b>ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A.</b>		
- Portfolio management fees	146,824.09	162,805.74
- Fee for employee borrowing	43,007.00	44,275.04
- Fee for accounting office support	63,249.95	36,900.00
	<b><u>253,081.04</u></b>	<b><u>243,980.78</u></b>
<b>Alpha Trust Elliniki Gi S.A. Ktimatiki</b>		
- Fees for rents	<b><u>7,770.00</u></b>	<b><u>13,881.36</u></b>
<b>BoD's fees</b>		
- BoD's fees	84,000.00	84,000.00

- Managing Director's fees	25,000.00	25,000.00
	<b>109,000.00</b>	<b>109,000.00</b>

#### Presentation in the Statement of Financial Position

	<u>Liabilities</u>	<u>Liabilities</u>
ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A.	<b>2,590.80</b>	<b>574.65</b>
BoD's fees	<b>3,976.95</b>	<b>0,00</b>

	<u>31/12/2016</u>	<u>31/12/2015</u>
	<u>Receivables</u>	<u>Receivables</u>
Alpha Trust Elliniki Gi S.A. Ktimatiki	<b>1,250.16</b>	<b>2,233.16</b>

The shareholders' ordinary general meeting of 7.06.2016 approved Board of Directors fees for 2016 amounting to euro 200,000.00. Nonetheless the amount of euro 84,000.00. An additional amount of euro 25,000.00 has been approved for the Managing Director.

During the fiscal year 2016 there were no changes in the transactions between the Company and its related parties, that could have significant effect in the Company's financial position and performance.

#### **Going Concern**

To BoD declares that the Company possesses adequate resources that secure the going concern principle for the foreseeable future.

#### **Post balance sheet events**

There are no important events after December 31 2016, which should either be disclosed or alter the accounts of the published financial statements.

#### **Projected course and future growth**

2017 begins with a change of the US President, something that may cause or influence wider political developments. The beginning of the period of Donald Trumps' Presidency coincides with important elections in Europe, with the French presidential elections taking place in April and the German elections taking place in September. The picture becomes even more complicated when taking also into account euroscepticism, increasing terrorist threat, the situation in Turkey and the developments in Syria. In such a complex environment, the current year is expected to be of major importance for the economy and investment securities, given that the third Greek economic adjustment program sets as a necessary condition the return in positive growth rates.

The successful completion without delays of the second review of the program combined with the achievement of the fiscal targets constitute determinant factors for the course of the Greek economy and its return in a sustainable growth path. The inclusion of Greek bonds in the bond purchase program of the ECB and the implementation of debt relief measures are expected to further reduce the country risk. The elimination of uncertainty at a political, social and economic level, provided that the international environment remains supportive, constitute the necessary conditions for the return of a firm investment appetite in the stock market.

### **Information to the investment public**

The financial statements correspond to the period from 1 January to 31.12.16 and have been prepared according to the International Financial Reporting Standards. The statements were approved by the Board of Directors on March 2, 2017 and shall be posted, along with this Management Report on the Internet at <http://www.andromeda.eu>.

With the purpose of providing continuous and full information about the financial results and general developments at the Company, a document entitled “Investors' Newsletter” is prepared at the end of each quarter and uploaded on the Company’s website.

Furthermore, with the purpose of providing regular and timely information to shareholders and investors, a Monthly Report is posted on our website upon the closing of each month.

The net asset value per share as well as any news concerning the Company is posted daily on the Company’s website.

## **OBJECTIVES AND POLICIES OF THE MANAGEMENT OF RISKS OF FINANCIAL INSTRUMENTS (article 43<sup>a</sup> par. 3c of Law 2190/1920)**

### **Portfolio risk management**

The Company’s investment portfolio includes financial products according to the investment strategy it has developed and the limitations imposed by Law 3371/2005 that defines the investment limits and the nature of investments of portfolio investment companies. The investment portfolio includes listed domestic stocks, bonds of the Greek state, corporate bonds and derivatives.

The Company’s portfolio management as well as risk management (Investment Management), according to decision of its Board of Directors dated 17/12/2015, has been assigned under a “Management Agreement of an Alternative Investment Fund”. The Board of Directors has also designated an Investment Committee, which has an exclusively advisory nature as regards investment issues of the Company.

The Company’s Board of Directors, aiming at limiting and controlling the risks of the investment portfolio, has determined the necessary procedures and assigned risk management via a Contract to the Manager, which

uses portfolio risk monitoring systems that correspond to the Company's risk profile, so as to ensure that all the basic risks are measured accurately, such as indicatively market risk, credit risk, liquidity risk and counterparty risk.

### **1. Credit risk**

Credit risk pertains to cases of counterparty default. This category includes mainly government and corporate bonds, bonds repurchase agreements (repos), receivables from brokers and cash in banks.

To evaluate the credit risk, portfolio allocation is used by credit rating obtained through Bloomberg, which arises from the composition of three credit ratings, as these are provided by the four major credit rating firms (S&P, Moody's, Fitch and DBRS) taking into account the most conservative of the four.

#### **Receivables from brokers**

Receivables from brokers concern mainly sales of securities of the last three days, margin accounts and guarantees.

The credit risk of these receivables is considered small due to the limited deadline for settlement.

#### **Cash**

The company has deposits with banks the credit rating of which is being monitored.

#### **Derivatives**

During the financial year, the Company has used derivative financial instruments aiming at risk hedging and effective portfolio management.

#### **Liquidity risk**

Liquidity risk is the risk of failing to meet financial obligations when due, as a result of lack of the necessary liquidity. Liquidity risk pertains to the extent at which an investment position or part of the portfolio can be liquidated (as a percentage of the total value and the required time period for the full liquidation of the portfolio).

Accordingly, as regards a given portfolio composition, the percentage that can be liquidated per day and the necessary period for full portfolio liquidation are estimated, based on the merchantability of individual positions therein (source: Bloomberg). For conservative approach purposes, it is considered that a share volume exceeding one third of the average daily trading volume during the first quarter cannot be liquidated (investments in cash, term deposits and money market funds are considered to be highly liquid).

### **2. Market risk**

Market risk pertains to the possibility of loss due to change to the market price of shares, interest rates, currencies, e.tc.



To limit the risk, the Company selects the companies in which it invests on qualitative and economic criteria. The Company will not invest more than 20% of its equity in transferable securities of the same issuer.

### **Currency risk**

The impact from the change of the exchange rates between various currencies do not materially affect the Company's results given that almost the entirety of the Company's assets is invested in euro (€).

### **Interest rate risk**

Interest rate risk arises from changes in the rate markets. Changes in interest rates greatly affect the present value of expected flows from an investment or liability.

In order to calculate the market risk of the portfolio assets, according to the above decision, the Value-at-Risk approach is followed, with the Historical VaR methodology. The program used for the calculation of VaR, is provided by the company Effect S.A. The value-at-risk approach is applied to the portfolio of the Investment Trust and its benchmark index on a daily basis, taking into account the following parameters:

- Confidence level of 99%,
- tracking period of risk factors of one (1) year (two hundred and fifty working days) from the date of calculation
- investment horizon of one (1) month (twenty (20) working days)
- the portfolio value-at-risk should be expressed as a proportion (%) of the portfolio's current value (similarly also for the benchmark portfolio),
- checking that the portfolio's Value-at-Risk is not more than twice the Value-at-Risk of the benchmark portfolio, in order to ensure the Company's total leverage ratio remains under 2.

The Historical VaR methodology is described in detail in the User Manual of the programme of the company Effect.

It is noted that the above market risk calculation methodology does not only include the sensitivity of portfolio returns to major market risks (equity, interest rate, currency) to which the portfolio is exposed, but also to the correlations among them. Therefore, it is considered to provide a better and more realistic estimate of the total market risk for the portfolio.

Furthermore, the Company implements a program of retrospective controls (**Back Testing**), allowing it to compare the measurements of value-at-risk it has calculated against the daily change of the value of the Investment Trust's portfolio at the end of the following working day. An overrun was recorded for the second half of 2016.

Additionally, the Company implements a system of **stress testing**, based on strict and sufficient criteria for risk calculation. These tests are applied on a monthly basis, using the portfolio composition of the last

working day of the previous month, and focusing on risks that may emerge due to specific extreme historic scenarios or under conditions of unlikely changes, such as in conditions of lack of liquidity or of realization of a credit event in the markets in which the Company's portfolio invests. The stress tests focus on risks not fully covered by the value-at-risk method.

As regards fixed income securities, the sensitivity of bond prices is estimated at marginal change of interest rate levels through "duration".

### **Operational risk**

Operational risk pertains to the possibility of occurrence, either directly or indirectly, of a loss due to a variety of factors linked to the Company's internal procedures, its information systems and infrastructure, but also external factors such as the various suppliers, the institutional framework, and the generally accepted standards of investment and management behavior.

The Company's aim is to manage operational risk in a way that reduces the possible damage to its reputation and achieves the targets set for its shareholders. The Board of Directors is totally responsible for the development and implementation of the procedures required for the smooth conduct of the Company's activities.

On 16/07/2014 it was disclosed to the Hellenic Capital Market Commission that ALPHA TRUST-ANDROMEDA SA, as an Alternative Investment Fund (AIF) pursuant to the provisions of law 4209/2013 on the harmonisation of the Greek legislation to Directive 2011/61/EU on Alternative Investment Fund Managers, shall not be internally managed but that it intends to assign the totality of its management to Alpha Trust Mutual Fund and Alternative Investment Fund Management SA, as an external manager (external AIFM).

The management of the Company's portfolio, the risk management (Investment Management) and the provision of administrative services as defined in article 6, law 4209/2013 and pursuant to decision dated 17/12/2015 of the BoD, has been assigned to ALPHA TRUST by virtue of a "Management Agreement of an Alternative Investment Fund". Both companies are supervised by the Capital Market Commission.

The following should also be noted:

- a) The above contract is renewed regularly, on an annual basis and is each time approved by the Ordinary General Shareholders Meeting.
- b) According to the law, all securities and cash are kept by an independent custodian, the latter also signing the list of portfolio investments published and brought to the attention of the investment community.

- c) Internal audit cooperates with and monitors the various activities assigned to ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A. discouraging and minimizing the possibility of the appearance of issues that could cause problems in the Company's operation.
- d) The Company's Managing Director monitors daily the implementation of these contracts and resolves immediately any operational issues that could arise.

**Counterparty Risk:** its measurement requires the capturing of the daily receivables / obligations towards the counterparty, i.e. the custodian, given that all transactions take place in organised markets. Should the portfolio carry out transactions on financial instruments that are non-negotiable on an organized market, the counterparty risk is calculated based on the value-at-risk, in the event the counterparty does not fulfill its obligations.

**EXPLANATORY REPORT of paragraph 8, article 4 of law 3556/2007 (information of par. 7, article 4 of law 3556/2007)**

The present explanatory report of the Board of Directors to the Ordinary General Shareholders' Meeting contains analytical information regarding the issues of paragraph 7, article 4, of Law 3556/2007.

**I. Structure of the Company's Share Capital.**

The Company's share capital amounts to 6,681,728.00 euro divided into 417,608 common registered shares, of a nominal value of 16.00 each. The Company's shares are all registered; they are listed for trading in the Athens Exchange.

The rights of the Company shareholders derived from their share are proportionate to the capital percentage which corresponds to the paid up value of the shares. Every share provides all the rights stipulated by law and the Company's Articles of Association, and in particular:

- a. A right to receive dividend from the Company's annual profits or liquidation proceeds. 35% of net profits, only after deducting the regular reserve, are distributed from each financial year's profit to the shareholders as an initial dividend, whereas the payment of an additional dividend is decided by the General Meeting. Every shareholder is entitled to the dividend according to the date determining dividend beneficiaries. The dividend for each share is paid to the shareholders within the legal deadlines from the date the Shareholders' Ordinary General Meeting approved the financial statements. The manner and place of payment will be announced through the Press. The right to dividends is written-off and the respective amount is paid to the State, after the lapse of 5 years from the end of the year during which the General Meeting approved the distribution of dividends.



- b. The right to recover the contribution during liquidation, or, similarly, the right to amortisation of the capital corresponding to the share, provided this has been decided by the General Meeting.
- c. the pre-emptive right in every Company share capital increase exercised in cash and the acquisition of new shares.
- d. The right to receive a copy of the financial statements and reports by the chartered accountants/auditors and the Company's Board of Directors.
- e. The right to participate in the General Meeting, which is specifically comprised of the following individual rights: Legitimation, attendance, participation in discussions, submission of proposals on agenda issues, recording of opinions in the minutes of the meeting and voting.
- f. The General Meeting of the Company shareholders reserves all rights during liquidation (according to article 39 of its Articles of Association). The liability of Company shareholders is limited to the nominal value of the shares they own.

## **II. Limitations in Transferring Company Shares.**

Transfer of Company shares is carried out according to the Law, with no restrictions stipulated by the company's Articles of Association as to their transfer, considering that these are intangible shares listed on the Athens Stock Exchange.

## **III. Significant Direct or Indirect Participations According to the Meaning of the Provisions of Articles 9-11 of Law 3356/2007.**

There are shareholders who directly own a percentage greater than 5% of the total number of Company shares:

REGINA COMPANY INC 10,927%

ALPHA TRUST HELLENIC EQUITY FUND 7,242%

EUROBANK ERGASIAS BANK S.A. 6,561%

ALPHA BLUE CHIPS GREEK EQUITY FUND 5,005%

There are shareholders who own, both directly and indirectly, a percentage greater than 5% of the total number of Company shares:

ALPHA TRUST A.E. Mutual Fund and Alternative Investment Fund Management S.A, percentage 25,44.

## **IV. Shares Granting Special Control Rights.**

There are no Company shares granting their owners special control rights.

## **V. Voting Right Limitations.**

No voting right limitations, arising from the shares, are stipulated in the Company's Articles of Association.

**VI. Agreements Between Company Shareholders.**

The Company is not aware of any agreements whatsoever between its shareholders that imply limitations to the transfer of Company shares or the exercise of voting rights derived from these shares.

**VII. Regulations on Appointing and Replacing BoD Members and Amending the Articles of Association.**

The regulations provided by the Company's Articles of Association regarding the appointment and replacement of members of the Board of Directors and the amendment of provisions of its Articles of Association are no different than those stipulated in Codified Law 2190/1920.

**VIII. Responsibility of the BoD regarding the Issuance of New or the Purchase of Treasury Shares.**

A) The Board of Directors does not have the authority either to issue new shares, or to purchase treasury shares.

B) Pursuant to the provisions of article 16 of Codified Law 2190/1920, upon decision of their shareholders General Meeting, which sets the goal, terms, and prerequisites, the companies listed on the Athens Stock Exchange can acquire treasury shares through the Athens Stock Exchange, up to 10% of the total number of shares.

**IX. Significant Agreements that Come into Force, are Amended, or Terminated in the Event of Change of Control, Following a Takeover Bid.**

There are no agreements, which come into force, are amended, or terminated in the event of change of Company control, following a takeover bid.

**X. Agreements with Members of the Board of Directors or Company Personnel.**

There are no agreements between the Company and members of the Board of Directors, which provide for the payment of compensation, especially in the event of resignation or termination of employment without reasonable grounds or termination of term or employment due to a takeover bid.

Kifissia, March 2, 2017

Phaedon—Theodoros Tamvakakis

Vice chairman of the BoD



## **REVIEW REPORT OF THE INDEPENDENT CHARTERED ACCOUNTANT/AUDITOR**

To the Shareholders of the Societe Anonyme “ALPHA TRUST-ANDROMEDA INVESTMENT TRUST”

### **Audit Report on the Financial Statements**

We have audited the attached Financial Statements of the S.A. Company “ALPHA TRUST-ANDROMEDA INVESTMENT TRUST” (the Company), which consist of the statement of financial position, dated 31<sup>st</sup> December 2016, and the statements of comprehensive income, changes in equity, and cash flows during the financial year that ended on that date, along with a summary of important accounting principles, methods and other clarification notes.

### **Management Responsibility with Regard to the Financial Statements**

The Company’s Management is responsible for drafting and reasonably presenting these financial statements according to the International Financial Reporting Standards, as same have been adopted by the European Union, as well as for the internal control that the management deems necessary with regard to the drafting and reasonable presentation of the financial statements, without significant inaccuracies due to fraud or error.

### **Auditor’s Responsibility**

Our duty is to express an opinion on the said financial statements, on the basis of our audit. Our audit was performed in accordance with the International Auditing Standards, which have been incorporated in the Greek legislation (Official Gazette/B’/2848/23.10.2012). Said standards require that we comply with rules of ethics, and that we plan and carry out our audit with the purpose of reasonably ensuring that the financial statements are free from significant inaccuracies.

The audit includes the application of procedures for the collection of auditing assumptions with regard to amounts and disclosures included in the financial statements. The procedures are chosen at the auditor’s judgment, taking into consideration a risk estimate of significant inaccuracy in the financial statements, due to fraud or error. To assess that risk, the auditor takes into consideration the internal audit system with regard to the drafting and reasonable presentation of the financial statements, with the purpose of planning auditing procedures in view of the circumstances and he is not expressing an opinion on the effectiveness of the internal audit system adopted by the Company. The audit also assesses the suitability of the auditing policies applied and the validity of the estimates made by the Management; it also assesses the entire presentation of the financial statements.

We believe that the audit material that has been collected is sufficient and appropriate in order to establish our audit opinion.

### **Opinion**

In our opinion, the attached Financial Statements reasonably present, from every significant aspect, the financial status of the company as of 31 December 2015 its financial performance and cash flows for the period ended on that date, according to the International Financial Reporting Standards, as same were adopted by the European Union.

### **Reference to other legal and regulatory issues**

Given that the management is responsible for the preparation of the Management Report of the BoD and the Corporate Governance Statement which is included in the above report and pursuant to the provisions of par. 5, article 2 (chapter B) of law 4336/2015, it should be noted that:

- a) The BoD's Management Report includes a statement of corporate governance which provides information elements set out in article 43bb of codified law 2190/1920.
- b) In our opinion the Management Report of the BoD has been prepared in accordance with the legal requirements of article 43<sup>α</sup> and paragraph 1 (cases c' and d') of article 43bb of codified law 2190/1920 and its content corresponds to the attached financial statements of the fiscal year which ended on 31/12/2016.
- c) Based on the knowledge we have acquired during our audit on «ALPHA TRUST-ANDROMEDA INVESTMENT TRUST S.A.» and its environment, we have not identified significant inaccuracies on the Management Report of its BoD.

Athens, March 2, 2017

The Chartered Auditor/ Accountant



Chartered Accountants  
Member of Crowe Horwath International  
Fokionos Negri 3, 112 57 Athens  
SOEL No 125

Athanasios Katsakioris  
SOEL No 1600





## 1 STATEMENT OF COMPREHENSIVE INCOME

(Amounts in euro)

	<u>Appendix note</u>	<u>01.01.2016- 31.12.2016</u>	<u>01.01.2015- 31.12.2015</u>
Gross income (profit/loss) from portfolio management	4	1,203,254.08	-558,228.06
Less: Cost of portfolio management	5	169,363.01	218,190.84
<b>Gross profit/(loss)</b>		<b>1,033,891.07</b>	<b>-776,418.90</b>
Other operating income - expenses	6	-626.25	-49.28
Less: Administrative expenses	7	-269,150.69	268,304.78
<b>Earnings/ (losses) before taxes</b>		<b>764,114.13</b>	<b>-1,044,772.96</b>
Income tax (L.3522/06)	8	-60,252.91	-9,371.43
<b>Net earnings/ (losses) after taxes (A)</b>		<b>703,861.22</b>	<b>-1,054,144.39</b>
<b>Other comprehensive income</b>		<b>0.00</b>	<b>0.00</b>
<b>Other comprehensive income after taxes (B)</b>		<b>0.00</b>	<b>0.00</b>
<b>Total comprehensive income after taxes (A)+(B)</b>		<b>703,861.22</b>	<b>-1,054,144.39</b>
<b>Earnings/losses per share-basic after taxes (in €)</b>	9	<b>1.6855</b>	<b>-2.5242</b>

The attached notes are an integral part of the financial statements.



## 2 STATEMENT OF FINANCIAL POSITION ON 31/12/2016

(Amounts in euro)

	<u>Appendix note</u>	<u>31/12/2016</u>	<u>31/12/2015</u>
<b><u>ASSETS</u></b>			
<b>Non - current assets</b>			
Investments and other long-term receivables	10	2,480.00	3,367.22
<b>Total non - current assets (a)</b>		<b>2,480.00</b>	<b>3,367.22</b>
<b>Current assets</b>			
Other receivables	11	65,860.50	90,578.25
Financial instruments at fair value accounted for through the results	12	8,351,184.74	7,801,946.06
Cash in hand and cash equivalents	13	772,455.94	576,451.12
<b>Total current assets (b)</b>		<b>9,189,501.18</b>	<b>8,468,975.43</b>
<b>TOTAL ASSETS (a) + (b)</b>		<b>9,191,981.18</b>	<b>8,472,342.65</b>
 <b><u>LIABILITIES &amp; SHAREHOLDERS EQUITY</u></b>			
<b>Equity attributed to the company's shareholders</b>			
Share capital (417,608 shares of 16.00 €)	14	6,681,728.00	6,681,728.00
Capital at a premium	15	1,033,023.00	1,033,023.00
Other reserves	16	2,586,211.41	2,586,211.41
Results carried forward	17	-1,330,659.73	-
Treasury shares	18	-8,500.31	0.00
<b>Total Equity (a)</b>		<b>8,961,802.37</b>	<b>8,266,441.46</b>
<b>Short-term liabilities</b>			
Debts from income taxes	19	20,934.35	0.00
Dividends payable	20	1,609.40	9,565.66
Other current liabilities	21	207,635.06	196,335.53
<b>Total short-term liabilities (c)</b>		<b>230,178.81</b>	<b>205,901.19</b>
<b>TOTAL LIABILITIES (a) + (c)</b>		<b>9,191,981.18</b>	<b>8,472,342.65</b>

The attached notes are an integral part of the financial statements.



### 3 STATEMENT OF CHANGES IN EQUITY

	<u>Share Capital</u>	<u>Premium from the issuance of shares above par</u>	<u>Other reserves</u>	<u>Treasury shares</u>	<u>Results carried forward</u>	<u>Total</u>
<b>Balance on 01/01/2015</b>	<b>6,681,728.00</b>	<b>1,033,023.00</b>	<b>2,586,211.41</b>	<b>0.00</b>	<b>-980,376.56</b>	<b>9,320,585.85</b>
Total income after taxes for the period 01/01-31/12/2015					-1,054,144.39	-1,054,144.39
<b>Balance on 31/12/2015</b>	<b>6,681,728.00</b>	<b>1,033,023.00</b>	<b>2,586,211.41</b>	<b>0.00</b>	<b>-2,034,520.95</b>	<b>8,266,441.46</b>

	<u>Share Capital</u>	<u>Premium from the issuance of shares above par</u>	<u>Other reserves</u>	<u>Treasury shares</u>	<u>Results carried forward</u>	<u>Total</u>
<b>Balance on 01/01/2016</b>	<b>6,681,728.00</b>	<b>1,033,023.00</b>	<b>2,586,211.41</b>	<b>0.00</b>	<b>-2,034,520.95</b>	<b>8,266,441.46</b>
Treasury shares				-8,500.31		
Total income after taxes for the period 01/01-31/12/2016					703,861.22	703,861.22
<b>Balance on 31/12/2016</b>	<b>6,681,728.00</b>	<b>1,033,023.00</b>	<b>2,586,211.41</b>	<b>-8,500.31</b>	<b>-1,330,659.73</b>	<b>8,961,802.37</b>

The attached notes are an integral part of the financial statements.



## 4 CASH FLOW STATEMENT

(Amounts in euro)

	<u>Appendix note</u>	<u>01/01-31/12/2016</u>	<u>01/01- 31/12/2015</u>
<b><u>Operating activities</u></b>			
Proceeds from receivables – Decrease of investments		1.228.859,05	361.845,74
Payments to suppliers, personnel, etc.		-977.079,10	-1.340.560,29
Tax payments (collections of returns)		-39.318,56	-9.371,43
<b>Total inflows/ outflows from operating activities (a)</b>		<b>212,461.39</b>	<b>-988,085.98</b>
<b><u>Investing activities</u></b>			
<b>Total inflows/ (outflows) from investing activities (b)</b>		<b>0.00</b>	<b>0.00</b>
<b><u>Financing activities</u></b>			
Share capital increase		0.00	0.00
Payments for share capital decrease		0.00	-27.60
Cost of Share capital increase		0.00	476,112.00
Results from purchase of treasury shares	<b>18</b>	-8,500.31	0.00
Dividends paid	<b>20</b>	-7,956.26	-6,961.52
<b>Total inflows/ (outflows) from financing activities (c)</b>		<b>-16,456.57</b>	<b>469,122.88</b>
<b>Net increase (decrease) in cash and cash equivalents for the period</b>		<b>196,004.82</b>	<b>-518,963.10</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>576,451.12</b>	<b>1,095,414.22</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>772,455.94</b>	<b>576,451.12</b>

The attached notes are an integral part of the financial statements.

## NOTES ON THE FINANCIAL STATEMENTS

### 1 General Company Information

**Name:** “ALPHA TRUST - ANDROMEDA INVESTMENT TRUST”, and distinctive title “ALPHA TRUST – ANDROMEDA S.A.” as laid down in article 1 of the company’s articles of association.

**Establishment:** The Company’s articles of association were prepared by the Athens-based Notary Public Evangelos Drakopoulos, by means of deed No. 3353/21.6.2000 and correction deed No. 3396/24.7.2000, and were approved subject to decision No. K2-8479/25-7-2000 of the Ministry of Development (Government Gazette 7173/31-7-2000). The company was authorised under decision No. 5/192/6-6-2000 of the Capital Market Commission. It is subject to articles 27-40 of Law 3371/2005 on Investment Trusts, to the provisions of law 4209/2013 «on Alternative Investment Fund Managers» and to the provisions of law 2190/1920 « On Societes Anonymes».

As a portfolio investment company, the Company is subject to the code of conduct of Asset Management and Portfolio Investment Companies (Capital Market Commission Decision 132/2/19.5.1998).

**Registered Office:** Municipality of Kifissia, 21, Tatoiou St., at offices which have been subleased by the company “ALPHA TRUST ELLINIKI GI KTIMATIKI S.A.”.

**Term:** The company’s term was originally set at 50 years from establishment but following the decision of the Extraordinary General Shareholders Meeting dated 4/12/12, article 4 of its Articles of Association was amended and the term was set until 31.12.2019. The company’s term may be extended by decision of the General Meeting taken pursuant to the provisions of articles 27(3) & (4) and 28(2) of the Articles of Association.

**Scope:** The Company’s scope, as laid down in article 3 of its Articles of Association and following the decision of the First Repeat Ordinary General Meeting dated 20.4.2015, is the exclusive management of transferable securities portfolios pursuant to law 3371/2005 and 4209/2013 and complementarily of law 2190/20, as in force each time. In particular, the Company establishes an Alternative Investment Fund (AIF) in the sense of law 4209/2013 and assigns the entirety of its management, pursuant to article 6 par. 2b of law 4209/2013 exclusively to an external Alternative Investment Fund Manager, which complies with all conditions set forth by law 4209/2013.

The Company may cooperate with companies pursuing similar objectives or operating generally in the field of capital markets, and to participate in these, complying with the provisions of the legislation on portfolio investment companies and Alternative Investment Funds.

**Share Capital:** The Company's Share Capital stands at 6.681.728,00 euro, divided into 417.608 shares with a face value of 16 euro each, and is fully paid up.

**Shares:** The Company's shares are registered and traded on the Athens Exchange from 19/12/2001.

**Management:** According to its Articles of Association, the Company is managed by the Board of Directors which comprises from 5 to 11 members. The current composition of the Board of Directors, following a decision of the General Meeting of shareholders dated 10/7/2012 as well as decision of the BoD dated 15/12/2014, includes seven members as follows:

<b>CHAIRMAN:</b>	Alexander Zagoreos, independent non executive member
<b>VICE CHAIRMAN</b>	Phaedon – Theodoros Tamvakakis, non executive member
<b>MANAGING DIRECTOR:</b>	Konstantinos Tzinieris, executive member
<b>MEMBERS:</b>	Alexios Soultogiannis, independent non executive member
	Anastasios Adam, independent non executive member
	James Edward Jordan, independent non executive member
	Nikolaos Kyriazis, independent non executive member

## Approval and Availability of Financial Statements

The present financial statements and the notes to the financial statements cover the period January 1 - December 31, 2015 and constitute an integral and indivisible text.

They were approved by the Company's Board of Directors on March 2 2017 and have been posted on the Internet at [www.andromeda.eu](http://www.andromeda.eu).

The company's Management is responsible for the preparation of the financial statements.

## 2 Accounting policies summary

### 2.1 Preparation framework of the financial statements

The present financial statements for the fiscal period from January 1 to December 31 2015 have been prepared based on the historical cost principle, as amended by the adjustment of available-for-sale financial

instruments, financial instruments at fair value accounted for through the results and financial receivables and liabilities (including derivative financial instruments) at fair value accounted for through the results, the going concern principle, and comply with the International Financial Reporting Standards (I.F.R.S.) published by the International Accounting Standards Board (IASB), and with their interpretations as adopted by the European Union.

These financial statements follow the accounting principles used in order to prepare the financial statements of the fiscal year 2015, adjusted with the revisions required by the I.F.R.S. The Company did not proceed to the early application of an International Accounting Standard.

The Company's financial statements are prepared and published in euros, which is the Company's operating currency and the currency of the country of its registered office.

The Company's management is responsible for the preparation of the financial statements so that these may provide an exact and fair picture of the financial situation, structure of assets, results and cash flows.

There have been no changes in accounting estimates (e.g. useful life of assets) as there are no reasons imposing such changes.

## **2.2 New accounting standards and interpretations**

### **Adoption of new and revised international standards**

New standards, amendments and interpretations have been issued and must be applied on annual accounting periods beginning on or after January 1, 2016. The impact from the application of the new standards, amendments and interpretations is presented below.

### **Standards and interpretations which are compulsory for the current financial year 2016**

#### **Annual Improvements in IFRS, Cycle 2012-2014**

The amendments of cycle 2012-2014 have been issued by the IASB on September 25, 2014, they apply to periods beginning on or after January 1, 2016 and have been adopted by the European Union via Regulation (EU) No 2343/2015. The amendments concerning the IFRS 5 and 7 and the IAS 19 and 34 are not expected to have a significant impact on the Company's financial statements, unless mentioned otherwise.

#### **IFRS 5 «Non-current assets held for sale and discontinued operations»**

The amendment clarifies that the change from one method of disposal to another (e.g. sale or distribution to the owners) must not be considered a new sale plan but as a continuation of the initial plan. As a consequence, there is no interruption of the application of the requirements of IFRS 5. The amendment also clarifies that the change in the disposal method does not change the date of classification.

#### **IFRS 7 Financial instruments: Disclosures”**

Servicing contracts after the transfer of financial assets.

If an undertaking transfers a financial asset under conditions that allow the transferor to unrecognise the asset, IFRS 7 requires the disclosures of all forms of continuing involvement of the transferor on the transferred assets. IFRS 7 provides guidance on the definition of “continued involvement”. The amendment added specific instructions in order to help administrations to determine if the conditions of a contract for servicing of Financial Assets transferred constitutes ‘continuing involvement’. The amendment gives the right to retroactive application.

Interim financial reports

The amendment clarifies that the additional disclosure required under IFRS 7 «Disclosures – Offsetting financial assets and financial liabilities» is not specifically required for all interim periods, unless required by IAS 34. The amendment has retroactive effect.

#### **IAS 19 “Employee benefits – employee contributions”**

The amendment applies to annual accounting periods beginning on or after February 1 2015. the amendment specifies that the assessment of the presence of an active market for high quality corporate bonds is done based on the currency in which the liability is expressed rather than on the country of the liability. When there is not a deep market in high quality corporate bonds in this currency, the market yields on government bonds shall be used.

#### **IAS 34 “Interim financial reporting”**

The amendment clarifies that the disclosure requirements of the interim financial statements must be found either in the financial statements or be indicated with a cross-reference between the interim financial statements and their location in the interim financial report (e.g. in the Management Report). It is also clarified that the rest of the information in the interim financial report must be at the disposal of users under the same conditions as the interim financial statements. If users do not have access to this information under the same manner, the interim financial report shall be incomplete.

#### **IFRS 10, IFRS 12 and IAS 28 (Amendments) – Investment Entities: Application of the consolidation exceptions**

On December 18, 2014 the IASB has published the amendment to IFRS 10, IFRS 12 and IAS 28 regarding the application of consolidation exceptions for Investment Entities. The amendments are applied to annual accounting periods beginning on or after January 1, 2016. Their earlier application is allowed, and they have not yet been adopted by the European Union.

#### **IAS 1 (Amendment) “Presentation of financial statements” – Disclosure Initiative**



The amendments in IAS 1 issued by the IASB on December 18, 2014, clarify that materiality considerations apply to all the parts of the financial statements and that the inclusion of immaterial information may hinder the usefulness of disclosures. Furthermore, the amendments clarify that the entities should exercise their professional judgment in order to determine the location and the order by which the disclosed information is presented in the financial statements. They also clarify issues linked to the subtotals and the presentation of items of other comprehensive income resulting from investments accounted for under the equity method. This amendment is applied to annual accounting periods beginning on or after January 1, 2016 and has been adopted by the European Union on December 18, 2015.

**IAS 16 and IAS 38 (Amendments) - «Clarifications on acceptable methods of depreciation»**

The amendment clarifies that the use of methods based on revenue is not adequate for the calculation of depreciation of an asset and that revenue is not considered an adequate basis of measurement of the consumption of economic benefits included in an intangible asset. This does not apply when the intangible asset is expressed as a measurement for the calculation of revenue or when it can be demonstrated that the revenue and the consumption of economic benefits resulting from the intangible asset are closely related.

This amendment is applied to annual accounting periods beginning on or after January 1, 2016 and has been adopted by the European Union on December 2, 2015.

**IAS 27 (Amendment) «Separate Financial Statements» - Equity Method in Separate Financial Statements**

The amendment of IAS 27 issued by IASB on August 12, 2014, allows an entity to use the equity method in order to account for the investments in subsidiaries, joint ventures and associates, in its separate financial statements. This constitutes an option of accounting policy for all categories of investments. This amendment is applied to annual accounting periods beginning on or after January 1, 2016 and has been adopted by the European Union on December 18, 2015.

**IAS 19 (Amendment) “Employee benefits – employee contributions”**

This amendment is applied to annual accounting periods beginning on or after February 1, 2015. The amendments are applied in contributions from employees or third parties in defined benefit retirement plans. The target of the amendment is the simplification of the accounting treatment of contributions which are independent from the number of the years in service of the employees, for example, regarding the contributions of employees calculated based on a fixed percentage of the salary.

**Standards and Interpretations that are compulsory for later periods and have not been applied earlier by the Company.**

The following new standards, amendments and interpretations have been published but are compulsory for later periods. The Company has not applied earlier the following standards and is on the process of studying their impact on its financial statements.

### **IFRS 9 “Financial instruments”**

On July 24, 2014 the Board has issued the final version of IFRS 9, which includes classification and measurement, impairment and hedge accounting. This standard shall replace IAS 39 as well as all previous versions of IFRS 9. Financial assets shall be accounted for based on undepreciated cost, at fair value through the results, or at fair value through other comprehensive income, depending on the business model for the management of financial assets and conventional cash flows of financial assets. A part from the credit risk of the entity, the classification and measurement of financial liabilities has not changed in relation to the current requirements. The Company is in the process of examining the impact of IFRS 9 on its financial statements. IFRS 9 must be applied to annual accounting periods beginning on or after January 1, 2018 and has been adopted by the European Union on November 22, 2016.

### **IFRS 15 «Revenue from Contracts with Customers»**

On May 28, 2014 the IASB published IFRS 15 «Revenue from Contracts with Customers» which, including also the amendments that have been issued on September 11, 2015, must be applied on annual accounting periods beginning on or after January 1, 2018 and constitutes the new standard regarding revenue recognition.

IFRS 15 replaces IAS 18, IAS 11 and interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.

The new standard establishes a model of five steps which shall apply for revenue arising from a contract with a customer (with limited exceptions), irrespective of the type of transaction or the industry. The standards' requirements shall also apply on the recognition and measurement of gains and losses from the sale of non-financial assets which do not result from the ordinary activities of the entity (e.g., sales of property, plant and equipment or intangible assets). Extensive disclosures will be required, including analysis of the total revenue, information regarding the return obligations, changes in the balances of contract assets and contract liabilities between the periods and key judgments and estimates. IFRS 15 has been adopted by the European Union on September 22, 2016.

### **IFRS 14 «Regulatory Deferral Accounts»**

On January 30, 2014, the IASB has published IFRS 14 the aim of which is to determine the financial reporting requirements for the balances of «regulated deferred accounts» arising when an entity provides goods or services to clients, at a price subject to a special regulation by the state.

IFRS 14 allows an entity that adopts for the first time IFRS to continue to account for, with small changes, balances of «regulated deferred accounts» pursuant to the previous accounting standards, both in the first-time adoption of IFRS and in later financial statements. The balances and the transactions of these accounts are separately presented in the statement of financial position, income statement and statement of other comprehensive income, while there are specific disclosures that are required. The new standard is applied to

annual accounting periods beginning on or after January 1, 2016 and has not been adopted by the European Union.

#### **IFRS 16 «Leases»**

On January 13, 2016 the IASB has published IFRS 16 which replaces IAS 17. The standards' aim is to ensure that lessees and lessors provide useful information that presents in a reasonable manner the substance of transactions relating to leases. IFRS 16 introduces a uniform model for the accounting treatment on the part of the lessee, which requires the lessee to recognise assets and liabilities for all leases with a duration of more than 12 months, unless the underlying asset is of insignificant value. Regarding the accounting treatment on the part of the lessor, IFRS 16 essentially incorporates the requirements of IAS 17. Thus, the lessor continues to classify contracts in operating and financial leases and to adopt a different accounting treatment for each type of contract. The new standard is applied to annual accounting periods beginning on or after January 1, 2019 and has not been adopted by the European Union.

#### **IAS 12 (Amendment) “Recognition of deferred tax assets for unrealised losses”**

The amendment clarifies the accounting treatment regarding the recognition of deferred tax assets for unrealised losses resulting from debt instruments measured at fair value. This amendment is applied to annual accounting periods beginning on or after January 1, 2017 and has not been adopted by the European Union.

#### **IAS 7 Statements of Cash flows (Amendment) “Disclosures”**

The amendment introduces compulsory disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities. The amendments shall require from the entities to provide disclosures enabling investors to evaluate the changes in the liabilities arising from financial activities, including changes arising from cash flows and changes of non-cash nature. This amendment is applied to annual accounting periods beginning on or after January 1, 2017 and has not been adopted by the European Union.

#### **IFRS 2 Share-based payment (Amendment) “Classification and measurement of transactions linked to share-based payment”**

The amendment provides clarifications regarding the basis of measurement of share-based payments which are settled in cash and the accounting treatment of changes in conditions which affect a cash-settled payment or a payment settled with equity instruments. It also introduces an exception regarding the principles of IFRS 2 according to which a payment should be treated as if it would be settled with equity instruments in its entirety, in cases where the employer is obliged to withhold an amount in order to cover the tax obligations of employees arising from share-based payments and pay it to the tax authorities. This amendment is applied to annual accounting periods beginning on or after January 1, 2018 and has not been adopted by the European Union.

#### **IFRS 4 (Amendment) «Implementation of the new IFRS 9 with IFRS 4».**

On September 12, the IASB has published amendments in the standard IFRS 4 in order to address concerns arising from the implementation of the new standard on financial instruments (IFRS 9), before the implementation of the new amended standard IFRS 4. The amendments introduce two approaches: overly and deferral. The amended standard:

- shall provide the possibility to companies issuing insurance contracts to recognise in other comprehensive income, and not in profit and loss, the instability that may arise when IFRS 9 is applied before the new insurance contracts.
- provides to entities whose predominant activity is issuing contracts an optional temporary exemption from the implementation of IFRS 9 until 2021.

This amendment is applied to annual accounting periods beginning on or after January 1, 2018 and has not been adopted by the European Union.

#### **Clarifications on IFRS 15 «Revenue from Contracts with Customers»**

In April 2016, the IASB has issued clarifications on IFRS 15. The amendments of IFRS 15 do not alter the main principles of the standard, but provide clarifications regarding the implementation of said principles. The amendments clarify how to recognize an engagement of execution in a contract, how to determine whether an entity is the principal or agent, and how to determine whether the revenue from the granting of a license should be recognised at a specific time point or over time. The Company shall examine the impact of all the above on its Financial Statements, although they are not expected to have any. This amendment is applied to annual accounting periods beginning on or after 1/1/2018 and has not been adopted by the European Union.

#### **Annual Improvements in IFRS, Cycle 2014-2016**

The amendments of cycle 2014-2016 have been issued by the IASB on December 8, 2016, they apply to periods beginning on or after January 1, 2018 and have not been adopted by the European Union. The following amendments are not expected to affect the Company's financial statements, unless mentioned otherwise.

#### **IFRS 1 First-time adoption of international financial reporting standards**

The amendment removes the «short-term exemptions from the IFRS» provided for under Annex E of IFRS 1 due to the reason they have achieved their purpose and are no longer necessary.

#### **IAS 28 (Amendment) «Measurement of Associates or Joint Ventures at fair value»**

The amendment clarifies that the option provided for investments in associates or joint ventures owned by an entity which is a venture capital organisation, or other entity complying with the conditions, to be measured at fair value through the results is available for each associate or joint venture separately in the initial recognition.

**IFRS 12 Disclosures of interest in other entities: Clarification of the standards' objective.**

The amendment clarified the scope of application of the standard, determining that the disclosure requirements of the standards, except those of paragraphs B10-B16, are valid for the interests of the entity mentioned in paragraph 5, which have been classified as held for sale, held for distribution or as discontinued operations pursuant to IFRS 5 «Non-current assets held for sale and discontinued operations».

**IAS 40 « Investment Property» Transfers of Investment Property**

The amendment of IAS 40 issued by IASB on December 8, 2016 clarifies that an entity may transfer property to or from investment property, when, and only when there is an evident change in use. A change of use occurs if property meets or ceases to meet the definition of investment in property. A change in the management's intentions for the use of a property by itself does not constitute evidence of a change in use.

This amendment is applied to annual accounting periods beginning on or after January 1, 2018 and has not been adopted by the European Union.

**IFRIC 22 «Foreign Currency Transactions and Advance Consideration»**

IFRIC 22 clarifies the accounting treatment of transactions that include the receipt or payment of advance consideration in a foreign currency. More specifically, it applies to foreign currency transactions when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income. According to the interpretation, the date of the transaction, for the purpose of determining the exchange rate is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, the date of transactions is established for each payment or receipt.

This interpretation is applied to annual accounting periods beginning on or after January 1, 2018 and has not been adopted by the European Union.

**2.3 Use of estimates and assumptions**

The preparation of the financial statements according to the IFRS requires the use of analytical accounting estimates and judgment in the application of the accounting principles by the Company. The most important assumptions are based on the best possible knowledge of the Company's Management and are mentioned in the notes to the financial statements whenever it was deemed necessary. Despite the fact that these estimates are based on the best possible knowledge of the Management regarding current events and actions, the actual results may finally be different from the estimated ones.

Estimates and the corresponding assumptions are reviewed at regular intervals. Any deviations of the accounting estimates are recognized in the period during which these are reviewed provided they concern only the current period and in case they also concern future periods the deviations shall influence both the current and future periods.

## **2.4 Foreign currency dealing**

Transactions made in foreign currencies are converted into euro at the fixing rate of the ECB bulletin, as in force on the date of the transaction. On the date of reference in the Financial Statements, currency assets denominated in foreign currencies are converted into euro at the exchange rate which applies on that date. Foreign exchange differences arising from the conversion are posted in the Income Statement.

## **2.5 Income and expense recognition**

### **Income**

Portfolio income is recognized and classified in the Income Statement and mainly includes: a) dividends from stocks listed in the Athens Stock Exchange as well as in foreign stock exchanges b) interest from time deposits, repos, other investments assimilated to time deposits and c) income from interest of bonds or other investments assimilated to bonds. Income from dividends is recognized as income at the ex-dividend date. The results from securities transactions are recognized and recorded in the Income Statement and include profit or loss from securities (shares, bonds, mutual funds, results from derivative financial products, etc.) transactions, as well as the results from the valuation of securities at the end of each period reported in the financial statements of the company.

The account «Other income-expenses» also includes foreign exchange differences (debit or credit) from transactions or valuation.

### **Expense**

Expenses are recorded when incurred and they are distinguished in expenses concerning:

- a) portfolio management (custodian fees, management fees, transaction fees and expenses, third-party fees, e.tc.)
- b) the administrative operation of the company (personnel salaries and expenses, third-party fees, rents, charges for third party services, telecommunications, e.tc.)
- c) portfolio tax pursuant to law 3371/2005.

## **2.6 Portfolio tax**

Taxes deducted from the results of the period concern exclusively the current income tax. There are no deferred taxes as no temporary differences arise between the accounting and tax base of assets and liabilities given the industry's tax regime. The current income tax is calculated and paid each semester. The Company is subject to taxation pursuant to paragraph 3, article 39 of law 3371/2005 which has been replaced by paragraph 2, article 45 of law 4389/2016 «Urgent provisions on the implementation of the agreement on the fiscal targets and structural reforms and other provisions.» stipulating that investment companies must pay tax whose coefficient is set at 10% of the then applicable intervention rate of the European Central Bank (reference rate), incremented by one (1) percentage unit, and is calculated on the six-month average of investments, plus cash at market value. In case of a change in the Reference Rate, the

new calculation base of the tax shall apply from the first day of the month following the change. The tax due for each semester may not be less than 0.375% of the six-month average of their investments, plus cash, at market values. Tax shall be paid to the relevant tax authority within the first half of July and January of the semester following the calculation. Upon payment of such tax, the company and its shareholders fulfill their tax obligation.

## **2.7 Financial assets**

The Company's main financial assets correspond to cash, short-term investments and short-term receivables and liabilities.

The company's cash are placed according to the provisions of the legislation in force concerning the Investment Trusts.

The short-term investments include the company's portfolio that the company's management characterizes as "held for trade". The allowed investments constituting the company's portfolio are determined by article 30 of law 3371/2005, as in force.

In this case the initial recognition is done at fair value without being charged with the transaction costs, and afterwards it is also valued at fair value and classified in the account «Financial instruments at fair value accounted for through the results», pursuant to IAS 39.

For securities traded in active markets (stock exchanges) (for example, stocks, bonds, derivatives) the fair value will be the published prices on the reference date of the Financial Statement.

The use of derivative financial instruments and options from the company is governed by decision 3/645/30.04.2013 of the Capital Market Commission.

As regards other Financial Instruments pertaining to liabilities or receivables, the Company's management, having regard to their short-term nature, considers that their fair value corresponds to the value at which they are set out in the Company's accounting books.

Commitments on short-term investments are separately mentioned in the financial statements and analysed in the annex.

## **2.8 Tangible fixed assets**

The fixed assets are depicted in financial statements at acquisition values, reduced by accrued depreciation.

The expenditures made for the replacement of important components of fixed assets are capitalized. The other subsequent expenditures made in relation to fixed assets are capitalized only when they increase the future economic benefits expected to arise from the exploitation of the affected assets. All the other maintenance, repair and other expenditure of the fixed assets are recorded in the Income Statement as expenses, upon their occurrence.

Depreciation is charged on the Income Statement based on the fixed method of depreciation throughout the useful life of fixed assets.

The Company holds no proprietary fixed assets.

## **2.9 Short-term receivables**

The Company's receivables are of a short-term nature and hence there is no need to discount them at present value. Receivables from brokerage companies include the non-settled sales of the financial instruments of the Company's assets, less the provision for doubtful debts. A provision for doubtful debts is made when there is an objective proof that the company is not in position to collect all amounts due according to the contractual terms. The amount of the provision is recorded as expense in the result of the fiscal year. On the date of preparation of the balance sheet there was no need to form a related provision.

## **2.10 Cash and cash equivalents**

Cash includes cash in hand for the company, as well as cash equivalents, e.g. repos, short-term sight and time deposits in euro and in foreign currency of a known realizable value and thus present a negligible risk of a change in their value.

Time deposits are valued at fair value that corresponds to the initial investment plus accrued interest, exempt from tax, at the date of reference of the Financial Statements.

On the date of preparation of the Financial Statements, currency assets denominated in foreign currencies are valued in euro at the exchange rate (fixing rate of the ECB bulletin) which applies on that date. Foreign exchange differences arising from the conversion are posted in the Income Statement.

## **2.11 Share Capital**

Ordinary shares are classified as equity. The direct expenses for share issuance appear as a reduction of equity. The share capital increase through cash payment comprises any premium at the initial issuance of the share capital. The consideration paid above the nominal value per share is recorded in the account «Share premium capital» in equity.

## **2.12 Treasury Shares**

When the Company purchases its own equity instruments, these "treasury shares" are deducted from equity. No gain or loss shall be recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

## **2.13 Dividends**

Payable dividends are represented as an obligation upon approval by the General Meeting of shareholders pursuant to the provisions of the legislation in force and the Articles of Association.



#### **2.14 Provisions**

Provisions are posted when the Company has a legal or presumed obligation resulting from previous events and it is possible that a withdrawal of funds will be required to settle the obligation.

#### **2.15 Liabilities**

All the Company's liabilities appear in the balance sheet at fair value. Liabilities to brokerage companies include non-settled purchases of financial instruments of the Company's assets. The liabilities are depicted along with their accounting balances because their discounting at present value is not deemed necessary given their short-term nature. Furthermore, the discounting of the other current liabilities concerning either incurred or provided for liabilities such as, the management fee, the portfolio performance fee, custodian fees, vendors, e.tc., is not deemed necessary given their short-term nature.

#### **2.16 Operating segments**

An operating segment is a component of an economic entity:

- (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity;
- (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- (c) for which discrete financial information is available.

The company is active in only one line of business, i.e. the management of Greek and foreign debt securities portfolios and other financial instruments pursuant to the provisions of law 3371/2005. Its objective is the realization of income and capital gains in the medium-term.

#### **2.17 Related parties**

The objective of IAS 24 is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including obligations, with such parties. The company is not related to an entity preparing financial statements.

### **3 Financial risk management**

The Company's portfolio management as well as risk management (Investment Management), according to decision of its Board of Directors dated 17/12/2015, has been assigned under a "Management Agreement of an Alternative Investment Fund", to ALPHA TRUST MUTUAL FUND AND ALTERNATIVE INVESTMENT FUND MANAGEMENT S.A. that exercises the investment policy determined. The Board of Directors has also designated an Investment Committee, which has an exclusively advisory nature as regards investment issues of the Company.

The Company's Board of Directors, aiming at limiting and controlling the risks of the investment portfolio, has determined the necessary procedures and assigned risk management to the Manager, which uses portfolio risk monitoring systems that correspond to the Company's risk profile, so as to ensure that all the basic risks are measured accurately.

In accordance with article 3 of decision 3/645/30.04.2013 of the Hellenic Capital Market Commission, the Company selects the adequate methodology for the calculation of the total risk exposure of its portfolio. This method selected is the relative value-at-risk method.

In accordance with article 15 of the relevant decision, the model of the relative value-at-risk selected takes into account at least the general market risk and the idiosyncratic risk, on a case-by-case basis. The remaining risk to which the Investment Trust's portfolio is exposed are taken into account in the framework of simulation of extreme situations. Additionally and whenever it is deemed necessary, the risk exposure of the Investment Trust's portfolio to the relative risks is also taken into account.

The Company's investment portfolio includes financial products according to the investment strategy it has developed and the limitations imposed by Law 3371/2005 that defines the investment limits and the nature of investments of portfolio investment companies. The investment portfolio includes listed domestic stocks and bonds of the Greek state. The analysis of the portfolio per investment category is the following:

	<b>31.12.2016</b>	<b>31.12.2015</b>
Stocks listed in ATHEX *	7.627.797,39	7.219.664,97
Non listed stocks	0,01	0,01
Government bonds **	750.100,55	596.842,49
Cash (after deduction of liabilities)	592.404,73	455.406,45
<b>Total</b>	<b>8.970.302,68</b>	<b>8.271.913,92</b>

\* the value of bonds also takes into account accrued interest.

\*\* stocks listed in the ATHEX also include treasury shares

### **3.1 Market risk**

Market risk pertains to the possibility of loss due to change to the market price of shares, interest rates, currencies, e.tc.

To limit the risk, the Company selects the companies in which it invests on qualitative and economic criteria. The Company will not invest more than 20% of its equity in transferable securities of the same issuer.

#### **Main portfolio allocation:**

	<b>31.12.2016</b>	<b>31.12.2015</b>
Stocks	85%	87%
Bonds	8%	7%

#### **Currency risk**

The impact from the change of the exchange rates between various currencies do not materially affect the Company's results given that almost the entirety of the Company's assets is invested in euro (€).

**Portfolio's currency allocation:**

	12 / 2016	12 / 2015
Euro	100%	100%
	<b>100%</b>	<b>100%</b>

**Interest rate risk**

Interest rate risk arises from changes in the rate markets. Changes in interest rates greatly affect the present value of expected flows from an investment or liability.

The following table presents the Company's exposure to the interest rate risk and includes the accounting balances of assets and liabilities classified by the shortest deadline between the date of repricing of the interest rate and the maturity date.

**31.12.2016**

	<u>Up to 1 month</u>	<u>From 1 to 3 months</u>	<u>From 3 months to 1 year</u>	<u>Total</u>
<b>ASSETS</b>				
Cash in hand and cash equivalents*	592.404,73	-	-	592.404,73
Financial assets at fair value	-	-	-	-
Financial assets given as guarantees	-	-	-	-
<i>Total assets</i>	592.404,73	-	-	592.404,73
Liabilities	-	-	-	-
<b>Interest Sensitivity Gap</b>	<b>592.404,73</b>	-	-	<b>592.404,73</b>

**31.12.2015**

	<u>Up to 1 month</u>	<u>From 1 to 3 months</u>	<u>From 3 months to 1 year</u>	<u>Total</u>
<b>ASSETS</b>				
Cash in hand and cash equivalents*	455.406,45	-	-	455.406,45
Financial assets at fair value	-	-	-	-
Financial assets given as guarantees	-	-	-	-
<i>Total assets</i>	455.406,45	-	-	455.406,45
Liabilities	-	-	-	-
<b>Interest Sensitivity Gap</b>	<b>455.406,45</b>	-	-	<b>455.406,45</b>

\*\*Cash in hand and cash equivalents include cash minus the liabilities.

**Value at Risk (VaR)**

The Company makes sure that the method of calculation of the total risk exposure is adequate, precise and reliable. For that reason, the Historical VaR methodology has been selected and its calculation is made on a daily basis using the application of Effect. The relative value-at-risk approach is applied to the portfolio of the Investment Trust and its benchmark index on a daily basis, taking into account the following parameters:

- Confidence level of 99%,
- tracking period of risk factors of one (1) year (two hundred and fifty working days) from the date of calculation,
- investment horizon of one (1) month (twenty (20) working days)
- the portfolio value-at-risk should be expressed as a proportion (%) of the Company's current value, (similarly for the case of the benchmark portfolio),
- checking that the portfolio's Value-at-Risk is not more than twice the Value-at-Risk of the benchmark portfolio, in order to ensure the Company's total leverage ratio remains under 2.

The picture of the daily value-at-risk of the portfolio and the benchmark for the second half of 2016 and the first half of 2016 is depicted in the following tables:

#### Second half 2016

market risk	Average value	Maximum value	Minimum value
daily portfolio change %	0,14%	2,75%	-1,77%
Portfolio Value-at-Risk	-2,95%	-2,23%	-5,31%
Portfolio volatility	18,58%	23,27%	16,86%
Benchmark Value-at-Risk	-6,01%	-5,04%	-9,23%
Benchmark volatility	34,13%	40,15%	31,51%
Correlation between portfolio VaR and benchmark VaR	48,47%	61,81%	39,86%

#### First half 2016

market risk	Average value	Maximum value	Minimum value
daily portfolio change %	-0,07%	2,92%	-7,36%
Portfolio Value-at-Risk	-4,59%	-3,68%	-7,25%
Portfolio volatility	24,47%	26,39%	21,72%
Benchmark Value-at-Risk	-7,66%	-6,91%	-9,90%
Benchmark volatility	41,58%	49,92%	37,11%
Correlation between portfolio VaR and benchmark VaR	59,79%	74,57%	47,02%

It is noted that the above market risk calculation methodology does not only include the sensitivity of portfolio returns to major market risks (equity, interest rate, currency) to which the portfolio is exposed, but also the correlations among them. Therefore, it is considered to provide a better and more realistic estimate of the total market risk for the portfolio.

Furthermore, the Company implements a program of retrospective controls (**Back Testing**), allowing it to compare the measurements of value-at-risk it has calculated against the daily change of the value of the Investment Trust's portfolio at the end of the following working day. An overrun was recorded for the second half of **2016**.

Additionally, the Company implements a system of stress testing, based on strict and sufficient criteria for risk calculation. These tests are applied on a monthly basis, using the portfolio composition of the last working day of the previous month, and focusing on risks that may emerge due to specific extreme historic scenarios or under conditions of unlikely changes, such as in conditions of lack of liquidity or of realization of a credit event in the markets in which the Company's portfolio invests. The stress tests focus on risks not fully covered by the value-at-risk method.

As regards fixed income securities, the sensitivity of bond prices is estimated at marginal change of bond levels through "duration". Investments in fixed income securities at the end of the second half of **2016** are depicted below:

### 31.12.2016

Name of security	Type of security	Value €	Participation %	Duration
GGB 3,375% 17/07/14-17/07/2017	FIX	298.304,79	3,33%	0,47
GGB 4,75% 10/04/14-17/04/19	FIX	194.399,04	2,17%	2,08
GGB 3% 24/2/12-24/02/2042	FIX	257.396,72	2,87%	13,73
		<b>750.100,55</b>	<b>8,36%</b>	

While investments in bonds at the end of the **second half of 2015** are depicted below.

### 31.12.2015

Name of security	Type of security	Value €	Participation %	Duration
GGB 3,375% 17/07/14-17/07/2017	FIX	282.420,00	3,378%	1,39
GGB 4,75% 10/04/14-17/04/19	FIX	183.370,00	2,193%	2,78
GGB 3% 24/2/12-24/02/2042	FIX	114.640,00	1,371%	12,74
		<b>580.430,00</b>	<b>6,942%</b>	

## 3.2 Credit risk

Credit risk pertains to cases of counterparty default. This category includes mainly government and corporate bonds, bonds repurchase agreements (repos), receivables from brokers and cash in banks. To evaluate the credit risk, portfolio allocation by credit rating is used.

To evaluate the credit risk, portfolio allocation is used by credit rating obtained through Bloomberg, which arises from the composition of credit ratings, as these are provided by the four major credit rating firms (S&P, Moody's, Fitch and DBRS). In case the result is between two credit ratings, the lower one is used.

The Company's portfolio on 31.12.2016 includes investments in fixed income securities (corporate / government bonds) and does not include bond repurchase agreements:

Credit rating	Value	Participation in the portfolio %
CCC	492.703,83	5,49%
CCC+	257.396,72	2,87%
	<b>750.100,55</b>	<b>8,36%</b>

The corresponding picture at the end of 2015 was:

Credit risk	12 / 2015	
Credit rating	Value	Participation in the portfolio %
CCC	465.790,00	5,57%
CCC+	114.640,00	1,371%
	<b>580.430,00</b>	<b>6,942%</b>

### Receivable from brokers

Receivables from brokers concern mainly sales of securities of the last three days, margin accounts and guarantees.

The credit risk of these receivables is considered small due to the limited deadline for settlement and to the utilization of counterparties.

### Cash

The Company has deposits with banks the credit rating of which is analysed as follows:

	12 / 2016	12 / 2015
<b>Alpha Bank</b>	Ca (Caa3)	C (Caa3)
<b>Societe Generale</b>	A2 (A2)	A2 (A2)
<b>Piraeus Bank</b>	Ca (Caa3)	C (Caa3)

**Source: Bloomberg, Moody's Senior Unsecured Debt (Moody's rating of deposits in parentheses) (Local LT Bank Deposits).**

### Derivatives

During the financial year the Company has not used any derivative financial instruments.

### 3.3 Liquidity risk

Liquidity risk is the risk of failing to meet financial obligations when due, as a result of lack of the necessary liquidity. Liquidity risk pertains also to the extent at which an investment position or part of the portfolio can

be liquidated. (as a percentage of the total value and the required time period for the full liquidation of the portfolio).

Accordingly, as regards a given portfolio composition, the percentage that can be liquidated per day and the necessary period for full portfolio liquidation are estimated, based on the merchantability of individual positions therein (source: Bloomberg). For conservative approach purposes, it is considered that a share volume exceeding one third of the average daily trading volume during the last quarter cannot be liquidated. In view of the portfolio composition as of 31.12.2016 and 31.12.2015 the above estimates are as follows:

Possibility of full position liquidation (days)	12 / 2016		12 / 2015	
	Value	Participation % in the portfolio	Value	Participation % in the portfolio
1 day	2.364.782,05	26,36%	3.214.410,76	38,45%
2 days	795.552,50	8,87%	187.750,00	2,25%
3 days	323.986,53	3,61%	236.400,00	2,83%
5 days	143.839,50	1,60%	177.876,03	2,13%
Up to 10 days	319.662,00	3,56%	726.621,60	8,69%
Up to 30 days	282.256,86	3,15%	788.120,00	9,43%
> 30 days	3.397.717,95	37,88%	1.888.432,59	22,41%
	<b>7.627.797,39</b>	<b>85,03%</b>	<b>7.219.610,98</b>	<b>86,19%</b>

The remaining part of the portfolio at the end of **2016** is placed in cash and term deposits which are considered to be highly liquid, while there is also a balance of **Greek state bonds** for which there is no corresponding information as for equity instruments, in order to calculate liquidity.

### 3.4 Operational risk

Operational risk is the risk linked to the possibility of occurrence of a direct or indirect damage from a variety of factors linked to the Company's internal procedures, its IT systems and infrastructure but also external factors such as the various providers, the institutional framework and the generally accepted standards of investment management behavior.

The Company's aim is to manage operational risk in a way that reduces the possible damage to its reputation and achieves the targets set for its shareholders. The Board of Directors is totally responsible for the development and implementation of the procedures required for the smooth conduct of the Company's activities.

On 16/07/2014 it was disclosed to the Hellenic Capital Market Commission that ALPHA TRUST-ANDROMEDA SA, as an Alternative Investment Fund (AIF) pursuant to the provisions of law 4209/2013 on the harmonisation of the Greek legislation to Directive 2011/61/EU on Alternative Investment Fund Managers, shall not be internally managed but that it intends to assign the totality of its management to Alpha Trust Mutual Fund and Alternative Investment Fund Management SA, as an external manager (external AIFM).

The management of the Company's portfolio, the risk management (Investment Management) and the provision of administrative services as defined in article 6, law 4209/2013 and pursuant to decision dated 17/12/2015 of the BoD, has been assigned to ALPHA TRUST by virtue of a "Management Agreement of an Alternative Investment Fund". Both companies are supervised by the Capital Market Commission.

The following should also be noted:

- a) The above contracts are renewed regularly, on an annual basis and are each time approved by the Ordinary General Shareholders Meeting.
- b) According to the law, all securities and cash are kept by an independent custodian, the latter also signing the list of portfolio investments published and brought to the attention of the investment community.
- c) Internal audit cooperates with and monitors the various activities assigned to Alpha Trust Mutual Fund and Alternative Investment Fund Management S.A. discouraging and minimizing the possibility of the appearance of issues that could cause problems in the Company's operation.
- d) The Company's Managing Director monitors daily the implementation of these contracts and resolves immediately any operational issues that could arise.

**Counterparty Risk:** its measurement requires the capturing of the daily receivables / obligations towards the counterparty, i.e. the custodian, given that all transactions take place in organised markets. Should the portfolio carry out transactions on financial instruments that are non-negotiable on an organized market, the counterparty risk is calculated based on the value-at-risk, in the event the counterparty does not fulfill its obligations.

#### **Valuation of financial instruments**

The Company evaluates the various financial instruments it owns at their fair value, as this is determined in the more adequate and objective manner.

The Company presents its financial instruments at fair value following the classification provided for under IFRS 7, as follows:

**Level 1:** Valuation at fair values using active market prices.

**Level 2:** Valuation at fair values using valuation techniques that use objective prices of almost active market or prices resulting directly or indirectly by market data.



**Level 3:** Valuation at fair values using valuation techniques that use data which are not considered indisputably objective.

The following table presents the Company's financial instruments classified according to the objectivity of determination of their fair value:

	Level 1	Level 2	Level 3	Total
<b><u>31/12/2016</u></b>				
<b>Financial instruments at fair value accounted for through the results</b>				
Shares	7,618,935.40	-	-	7,618,935.40
Bonds	732,249.34	-	-	732,249.34
<b>Total financial instruments at fair value accounted for through the results</b>	<b>8,351,184.74</b>	<b>-</b>	<b>-</b>	<b>8,351,184.74</b>

	Level 1	Level 2	Level 3	Total
<b><u>31/12/2015</u></b>				
<b>Financial instruments at fair value accounted for through the results</b>				
Shares	7,219,664.98	-	-	7,219,664.98
Bonds	582,281.08	-	-	582,281.08
<b>Total financial instruments at fair value accounted for through the results</b>	<b>7,801,946.06</b>	<b>-</b>	<b>-</b>	<b>7,801,946.06</b>

### **Classification of financial instruments and liabilities at fair values**

#### **31/12/2016**

	Financial assets at fair value accounted for through the results	Held-to-maturity investments	Cash and receivables	Available-for-sale financial assets	Total
<b>Receivables</b>					
Investments	8,351,184.74	-	-	-	8,351,184.74
Trade and other receivables (except advances and provisions)		-	20,332.42	-	20,332.42
Cash	-	-	772,455.94	-	772,455.94
<b>Total</b>	<b>8,351,184.74</b>	<b>0.00</b>	<b>792,788.36</b>	<b>0.00</b>	<b>9,143,973.10</b>

	Liabilities at amortised cost	Liabilities at fair value accounted for through the income statement	Total
<b>Liabilities</b>			
Trade and other liabilities (except advances and provisions)	208,072.15	-	208,072.15
Loans	-	-	0,00
<b>Total</b>	<b>208,072.15</b>	<b>0,00</b>	<b>208,072.15</b>

### Classification of financial instruments and liabilities at fair values

**31/12/2015**

<b>Receivables</b>	<b>Financial assets at fair value accounted for through the results</b>	<b>Held-to-maturity investments</b>	<b>Cash and receivables</b>	<b>Available-for-sale financial assets</b>	<b>Total</b>
Investments	7,801,946.06	-	-	-	<b>7,801,946.06</b>
Trade and other receivables (except advances and provisions)		-	21,262.24	-	<b>21,262.24</b>
Cash	-	-	576,451.12	-	<b>576,451.12</b>
<b>Total</b>	<b>7,801,946.06</b>	<b>0.00</b>	<b>597,713.36</b>	<b>0.00</b>	<b>8,399,659.42</b>

<b>Liabilities</b>	<b>Liabilities at amortised cost</b>	<b>Liabilities at fair value accounted for through the income statement</b>	<b>Total</b>
Trade and other liabilities (except advances and provisions)	201,675.19	-	<b>201,675.19</b>
Loans	-	-	<b>0.00</b>
<b>Total</b>	<b>201,675.19</b>	<b>0.00</b>	<b>201,675.19</b>

#### **4 Gross income from portfolio management**

	<b>1/1 - 31/12/2016</b>	<b>1/1 - 31/12/2015</b>
Portfolio revenues	199,508.35	359,587.81
Profit/ (loss) from securities transactions	1,003,745.73	-917,815.87
<b>Total income from portfolio management</b>	<b>1,203,254.08</b>	<b>-558,228.06</b>

Portfolio revenues include the dividend of listed shares, interest from deposits and bonds that have been received as well as interest receivable on a time proportion basis using the real interest rate and are analyzed as follows:

	<b>1/1 - 31/12/2016</b>	<b>1/1 - 31/12/2015</b>
Dividends from shares	172,282.89	338,777.04
Deposit interest	161.75	286.73
Bond interest	27,063.71	20,524.04
<b>Total portfolio revenues</b>	<b>199,508.35</b>	<b>359,587.81</b>

The income from securities transactions are recognized and recorded in the account "Financial instruments at fair value accounted for through the results" at the end of each period reported in the financial statements of the Company and includes profits from securities transactions (shares, bonds, mutual funds, results from derivative financial products, etc.), as well as the results from the valuation

of securities.

More specifically, the "Profit/(loss) from securities transactions" account on 31.12.2016 is as follows:

	1/1 - 31/12/2016	1/1 - 31/12/2015
Profit/loss from securities transaction	-269,165.82	-190,691.23
Profit/loss resulting from the valuation of securities	1,272,911.55	-727,124.64
Profit/loss from valuation of derivatives	0.00	0.00
<b>Total profit / (loss) from transactions of securities</b>	<b>1,003,745.73</b>	<b>-917,815.87</b>

## 5 Cost of portfolio management

The analysis of the account "Cost of portfolio management" is the following:

	1/1 - 31/12/2016	1/1 - 31/12/2015
Third party expenses and fees	155,985.36	174,976.49
Taxes and duties	4,856.62	6,831.26
Other expenses	8,521.03	36,383.09
<b>Total cost of portfolio management</b>	<b>169,363.01</b>	<b>218,190.84</b>

## 6 Other income - expenses

The analysis of the account "other income - expenses" is as follows:

	1/1 - 31/12/2016	1/1 - 31/12/2015
Debit foreign exchange differences	-201.89	-93.19
Credit foreign exchange differences	773.65	68.88
Other	-1,198.01	-24.97
<b>Total other income - expenses</b>	<b>-626.25</b>	<b>-49.28</b>

## 7 Administrative expenses

The analysis of the account "Administrative expenses" is the following:

	1/1 - 31/12/2016	1/1 - 31/12/2015
Employees salaries and expenses	240.00	0.00
Third party expenses and fees	232,435.91	207,402.42
Charges for third party services	20,508.70	24,045.47
Taxes and duties	2,376.17	4,692.00
Other expenses	13,253.13	31,347.51
Commissions and various expenses	336.78	817.38
<b>Total administrative expenses</b>	<b>269,150.69</b>	<b>268,304.78</b>

## 8 Income tax

The tax accounted for in the statement of comprehensive income is as follows:

	1/1 - 31/12/2016	1/1 - 31/12/2015
<b>Tax L. 3522/2006</b>	-60,252.91	-9,371.43

The company is subject to taxation pursuant to par. 3 of article 39 of law 3371/2005, which has been replaced by par. 4 of article 15 of law 3522/2006.

## 9 Basic and diluted earnings per share

The basic earnings per share which are identical to the diluted earnings per share, are calculated by dividing the earnings attributable to shareholders of the parent company with the weighted average number of ordinary shares of the period.

	1/1 - 31/12/2016	1/1 - 31/12/2015
Profit/ loss after taxes attributable to shareholders	703,861.22	-1,054,144.39
Weighted average number of shares	417,590	417,608
<b>Basic profit/ loss per share (euro per share)</b>	<b>1.6855</b>	<b>-2.5242</b>

The Ordinary General Shareholders Meeting dated 7/6/2016 approved the purchase of treasury shares pursuant to article 16 of codified law 2190/1920 (Note 18)

## 10 Other non-current assets

The analysis of «Other non-current assets» is as follows:

	31/12/2016	31/12/2015
Guarantee for car leasing	1,230.00	1,134.06
Guarantee for leasing office space	1,250.00	2,233.16
<b>Total non-current assets</b>	<b>2,480.00</b>	<b>3,367.22</b>

## 11 Other receivables

The analysis of "Other receivables" is as follows:

	31/12/2016	31/12/2015
Receivables from the Greek State	46,853.08	69,287.69
Blocked deposits for derivatives exchange	1.22	4.09
Accrued interest on bonds	17,851.20	14,561.41
Capital decreases	0.00	2,200.00
Dividends receivable	1,155.00	0.00
Prepaid expenses	0.00	1,129.42
Other debtors	0.00	3,395.64

<b>Total other receivables</b>	<b>65,860.50</b>	<b>90,578.25</b>
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Receivables from the Greek state include:

- Withholding taxes 46,853.08 euro wrongly paid (a law suit of the Company against the Greek state is pending regarding the collection of this claim. The Company's Management considers that this claim shall be collected and no reserve for impairment needs to be made).

## 12 Financial instruments at fair value accounted for through the results

The account «Financial instruments at fair value accounted for through the results» is analysed as follows:

	<b>31/12/2016</b>	<b>31/12/2015</b>
Shares listed on the Athens Exchange	7,618,935.39	7,219,664.97
Shares not listed on the Athens Exchange	0.01	0.01
Domestic bonds	732,249.34	582,281.08
Foreign bonds	0.00	0.00
<b>Total financial instruments</b>	<b>8,351,184.74</b>	<b>7,801,946.06</b>

The shares listed on the Athens Exchange are valued at fair value based on the closing price on the last day of the year pursuant to the Daily Statistical Bulletin both of the primary and the secondary market.

Bonds are valued at fair price based on their trading price on the secondary market on the last day of the year pursuant to the prices provided by Bloomberg.

## 13 Cash and cash equivalents

The account «cash and cash equivalents» is analysed as follows:

	<b>31/12/2016</b>	<b>31/12/2015</b>
Cash	99.29	1,201.06
Sight deposits in euros	765,446.97	575,249.65
Sight deposits in foreign currency	6,909.68	0.41
<b>Total cash and cash equivalents</b>	<b>772,455.94</b>	<b>576,451.12</b>

Cash corresponds to 8.47% of the total investments on 31/12/2016 and 6.88% for 2015.

#### 14 Share capital

On 31/12/2016 the Company's paid up share capital stood at 6,681,728.00 euro divided into 417,608 common registered shares of a nominal value of euro 16 per share.

The account «Share capital» is analysed as follows:

	Amount in euro	Number of shares	Price per share
<b>Balance on 31/12/2015</b>	<b>6,681,728.00</b>	<b>417,608</b>	<b>16</b>
<b>Balance on 31/12/2016</b>	<b>6,681,728.00</b>	<b>417,608</b>	<b>16</b>

#### 15 Capital at a premium

Capital at a premium is analysed as follows:

	31/12/2016	31/12/2015
<b>Capital at a premium</b>	<b>1,033,023.00</b>	<b>1,033,023.00</b>

#### 16 Other reserves

The account «Other reserves» is analysed as follows:

	31/12/2016	31/12/2015
<b>Legal reserves</b>	<b>2,586,211.41</b>	<b>2,586,211.41</b>

#### 17 Results carried forward

The account "Results carried forward" is analysed as follows:

<b>Balance on 1/1/2015</b>	<b>-980,376.56</b>
Fiscal year losses	-1,054,144.39
<b>Balance on 31/12/2015</b>	<b>-2,034,520.95</b>
Fiscal year profits	703,861.22
<b>Balance on 31/12/2016</b>	<b>-1,330,659.73</b>

#### 18 Treasury shares

The Company has announced to its shareholders and to the investment community that the Ordinary General Shareholders Meeting dated 7/6/2016 has approved the purchase of treasury shares pursuant to article 16 of codified law 2190/1920.

The BoD at its meeting dated 28/6/2016 has decided to proceed to the purchase of treasury shares, in the period between 4/7/2016 to 6/6/2018 with a higher purchase price the amount of euro 50.00 per share and lower purchase price the amount of euro 1.00 per share. The maximum number of treasury shares acquired

during the above period shall not exceed 10% of the total outstanding shares of the Company at any given time.

Treasury shares appear in equity as a negative number while profit or loss resulting after their sale is directly recognised in equity.

Analysis of the treasury shares account:

<b>Balance on 31/12/2015</b>	<b>0.00</b>
Buy back	8,500.31
<b>Balance on 31/12/2016</b>	<b>8,500.31</b>

For the period from 16/12/2016 to 30/12/2016 the Company has proceeded to the purchase of 633 treasury shares of a total acquisition value of 8,500.31 euro.

## 19 Debt from taxes

The analysis «Debt from taxes» is analysed as follows:

	<b>31/12/2016</b>	<b>31/12/2015</b>
<b>Tax of Law</b>		
<b>N.3522/2006</b>	<b>20,934.35</b>	<b>0.00</b>

The Company has been tax audited through the financial year 2007. The company has been tax audited for the financial years 2011, 2012, 2013 and 2014 by statutory auditors according to ΠΟΛ.1159/22.07.2011 while an audit is currently being performed for FY 2016 by the statutory auditor pursuant to ΠΟΛ.1124/18.6.2015.

It is noted that the Interregional Auditing Centre (ΔΕΚ) of Athens has issued an Order for Regular Audit for the unaudited years of 2008 and 2009.

The Company's Management estimates that no additional taxes are going to be imposed given the specific manner of determination of the Company's income tax.

## 20 Payable dividends

Analysis of payable dividend :

<b>Balance on 1/1/2015</b>	<b>16,527.18</b>
Payment of dividends of previous FY's	-2.08
Payment of dividends to the state due to the lapse of five years	-6,959.44
<b>Balance on 31/12/2015</b>	<b>9,565.66</b>

<b>Balance on 1/1/2016</b>	<b>9,565.66</b>
Payment of dividends to the state due to the lapse of five years	-7,956.26
<b>Balance on 31/12/2016</b>	<b>1,609.40</b>

## 21 Other current liabilities

The other current liabilities are broken down as follows:

	<b>31/12/2016</b>	<b>31/12/2015</b>
ALPHA TRUST Mutual Fund & AIF Management S.A.	2.590,80	574.65
Sundry creditors	39,737.61	26,228.23
Liabilities to the shareholders from share capital decrease	163.022,00	163,022.00
Self-employed tax	000	83.00
Tax and stamp duty of BoD fees	0.00	4,143.00
Checks payable	2,284.65	2,284.65
<b>Total other current liabilities</b>	<b>207.635,06</b>	<b>196,35.53</b>

## 22 Contingent liabilities

There are no issues under dispute or arbitration or any decisions of judicial or arbitral authorities which have or could have an important effect on the economic situation or operation of the Company.

No important charge on the financial situation of the Company due to a future tax audit is expected due to the tax regime it is subject to and hence no provision has been formed. There are no other contingent liabilities.

## 23 Transactions with related parties and other important contracts

The Company is listed in the Athens Stock Exchange and its share capital is largely disposed to the investment community. On December 31 2016 there is one shareholder with a percentage over 10% who owns 10.927 % of the share capital.

Members of the Board of Directors and the Company's Management as well as the closest members of their families are considered as related parties.

### Board of Directors fees

- The Ordinary General Shareholders Meeting pre-approves the Board of Directors and Managing Director fees.

### Important contracts

The Company has concluded important contracts that influence directly its operational activities. More specifically, these contracts include:



### Investment Portfolio Management

- The Company's portfolio management as well as risk management (Investment Management), according to decision of its Board of Directors dated 17/12/2015, has been assigned under a "Management Agreement of an Alternative Investment Fund", to ALPHA TRUST. The latter has performed such management during the period 1/01-31/12/2016 based on the investment policy that has been determined. The duration of this agreement, which was approved by the Regular General Meeting dated 07.06.16 according to the provisions of Law 3371/2005, if not terminated, is automatically renewed for one year each time with approval of the shareholders regular meeting. The Board of Directors has also designated an Investment Committee, which has an exclusively advisory nature as regards investment issues of the Company. For these services, the fees to ALPHA TRUST are set at 1.5% p.a. on the daily market value of the ANDROMEDA portfolio, as this arises from the daily list of investments, incremented by any receivables and reduced by any obligations from the purchase of securities. Should the achieved annual percentage performance of "ANDROMEDA", be positive, "ALPHA TRUST" will be entitled to an additional fee ("success fee") amounting to 20% of the achieved positive performance.

### Accounting and IT support

- By virtue of the above agreement, ALPHA TRUST was assigned with the provision of administrative services as defined in article 6, law 4209/2013, which include legal services, accounting services, shareholders' help desk services, checking of compliance with regulatory provisions, other administrative services, advertising, commercial promotion, e.tc. For these services the fee of ALPHA TRUST is set to 4,265.00.00€ monthly plus VAT.

### Employee borrowing

- The Company has entered into a loan agreement of a salaried employee from ALPHA TRUST whom it fully and exclusively employs as an internal auditor.

### Leases

- The lessor of the company's headquarters is ALPHA TRUST ELLINIKI GI S.A. KTIMATIKI for the offices at 21 Tatoiou st., Kifissia. The rent stands at euro 1,116.58 on a monthly basis.

Transactions with related parties for the period 01/01/2016-31/12/2016 are as follows:

### Presentation in the Statement of Comprehensive Income

	<u>31/12/2016</u>	<u>31/12/2015</u>
<b>ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A.</b>		
- Portfolio management fees	146,824.09	162,805.74
- Fee for employee borrowing	43,007.00	44,275.04



- Fee for accounting office support	63,249.95	36,900.00
	<b>253,081.04</b>	<b>243,980.78</b>

## Alpha Trust Elliniki Gi S.A. Ktimatiki

- Fees for rents	<b>7,770.00</b>	<b>13,881.36</b>
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## BoD's fees

- BoD's fees	84,000.00	84,000.00
- Managing Director's fees	25,000.00	25,000.00
	<b>109,000.00</b>	<b>109,000.00</b>

## Presentation in the Statement of Financial Position

	Liabilities	Liabilities
<b>ALPHA TRUST Mutual Fund and Alternative Investment Fund Management S.A.</b>	<b>2,590.80</b>	<b>574.65</b>
<b>BoD's fees</b>	<b>3,976.95</b>	<b>0,00</b>

	31/12/2016	31/12/2015
<b>Alpha Trust Elliniki Gi S.A. Ktimatiki</b>	<b>1,250.16</b>	<b>2,233.16</b>

The shareholders' ordinary general meeting of 7.06.2016 approved Board of Directors fees for 2016 amounting to euro 200,000.00. Nonetheless the amount of euro 84,000.00. An additional amount of euro 25,000.00 has been approved for the Managing Director.

During the fiscal year 2016 there were no changes in the transactions between the Company and its related parties, that could have significant effect in the Company's financial position and performance.

## 24 Other information

- The members of the Board of Directors participating in the Management or in the share capital of other companies are the following:
  - Ο κ. Mr. Alexander Zagoreos is Chairman of the Utilico Emerging Markets Trust and Taiwan Opportunities Fund. He is also a member of the BoDs of The World Trust Fund, Probank (Athens) and Aberdeen Emerging Telecommunications Fund.
  - Mr Phaedon – Theodoros Tamvakakis is Vice chairman and Managing Director of ALPHA TRUST Mutual Fund & AIF Management S.A. and participates in its share capital by 20,381%. He is also Chairman of the BoD and Managing Director of the company «Plant, Land and



Agricultural S.A.» and participates in its share capital by 67.61%. He is the Vice chairman and non-executive member of the company «Quest Holdings S.A.», non-executive member of the BoD of the company «Taylor Young Investment Management Limited».

- Mr. Anastasios Adam is the Managing Director of the company «Optima Fund Management LLC» (New York).
  - Mr. Nikolaos Kyriazis is the vice chairman and non-executive member of the BoD of «Ergoman S.A.».
  - No business relation, agreement, contract or transaction exists between the company and the companies in whose capital the BoD members or major shareholders of the company participate, which do not arise in the context of usual activities.
- On 31/12/2016 the Company did not employ any personnel while it has entered into contracts with external providers.
  - On 31/12/2016 the portfolio gains of the Company amounted to euro 1,272,911.55.
  - On 31/12/2016 the NAV per share was euro 21.47.
  - On 31/12/2015 the share's market price was euro 14.00.

## **25 Post balance sheet events**

There are no important events after December 31, 2016 which should either be disclosed or alter the accounts of the published financial statements.



## INFORMATION PURSUANT TO ARTICLE 10 OF LAW 3401/2005

04 01 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
11 01 2016	Disposal of Investment Table as of 31.12.2015.
11 01 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
21 01 2016	Investors Newsletter fourth quarter 2015– Monthly Report – December 2015.
21 01 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
01 02 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
04 02 2016	Monthly Report – January 2016
11 02 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
22 02 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
22 02 2016	Date of Announcement of the Annual Financial Report for the year 2015.
23 02 2016	Press Release – Financial year 2015.
01 03 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
04 03 2016	Monthly Report – February 2016.
11 03 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
21 03 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
31 03 2016	Announcement of Financial Calendar.
01 04 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
07 04 2016	Monthly Report-March 2016.
11 04 2016	Disposal of Investment Table as of 31.03.2016.
11 04 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
12 04 2016	Investors Newsletter First quarter 2016.
21 04 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.



25 04 2016	End of the period for the purchase of treasury shares.
04 05 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
10 05 2016	Monthly Report – April 2016.
11 05 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
12 05 2016	Announcement on the notice of a General Meeting.
23 05 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
01 06 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
03 06 2016	Notification re the home member state.
07 06 2016	Announcement on the decisions of the General Meeting.
08 06 2016	Monthly Report – May 2016.
13 06 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
21 06 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
28 06 2016	Announcement regarding the purchase of treasury shares.
01 07 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
08 07 2016	Disposal of Investment Table as of 30.16.2016.
11 07 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
13 07 2016	Monthly Report – June 2016.
15 07 2016	Investors Newsletter Q2 2016
21 07 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
29 07 2016	Press Release – 6M 2016 financial results.
01 08 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
11 08 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
11 08 2016	Monthly Report – July 2016.
22 08 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.



01 09 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
08 09 2016	Monthly Report – August 2016.
12 09 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
21 09 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
03 10 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
06 10 2016	Tax audit results.
07 10 2016	Disposal of Investment Table as of 30.09.2016.
11 10 2016	Monthly Report – September 2016.
11 10 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
14 10 2016	Investors Newsletter Q3 2016.
21 10 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
01 11 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
07 11 2016	Monthly Report – October 2016.
11 11 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
21 11 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
01 12 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
08 12 2016	Monthly Report – November 2016.
12 12 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
19 12 2016	Announcement regarding the purchase of treasury shares.
21 12 2016	Announcement regarding the purchase of treasury shares.
21 12 2016	Announcement on the submission of data pursuant to decision 4/278/12-08-03 of the Hellenic Capital Market Committee.
22 12 2016	Announcement regarding the purchase of treasury shares.
23 12 2016	Announcement regarding the purchase of treasury shares.
30 12 2016	Announcement regarding the purchase of treasury shares.

**WEBSITE WHERE THE COMPANY'S ANNUAL FINANCIAL REPORT IS UPLOADED AND OTHER REQUIRED INFORMATION**

For the purpose of providing better, uninterrupted and timely information to its investors and shareholders, the Company maintains a web page on the Internet, which they may visit, free of charge, at [www.andromeda.eu](http://www.andromeda.eu), where they can obtain daily information on the net asset value and the market price of the share and on any other developments. In addition, this Annual Report is posted on the Company's website.

Alternatively, information is also available at the Company's Internet URL: <http://www.andromeda.eu>. The annual financial reports, the certified auditor/accountant's audit certificates and the Board of Directors' reports on the companies included in the Company's consolidated financial statements are posted on the above website.

Finally, our Investors Relations Department, contact person Ms. Konstantina Ganetsou (tel no: 210 62 89 200, fax: 210 62 34 242), is at shareholders' disposal for any additional information.

Kifissia, March 2 2017

The Vice-chairman of the BoD

The MANAGING DIRECTOR

The ACCOUNTING MANAGER

PHAEDON-THEODOROS  
TAMVAKAKIS  
ID No. X 062986

KONSTANTINOS TZINIERIS  
ID No. AK 120117

NIKOLAOS TZANETOS  
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