LASTIS ENERGY INVESTMENTS LIMITED

28 Anthoupoleos, Lakatamia
2301 Nicosia
Cyprus

HE 345375

REPORT AND FINANCIAL STATEMENTS

The Management Report , the Auditor's report and the Financial Statements of the company for the year ended 31 December 2018 are true copies of those presented at the Annual General Meeting.

Signature ....
Ioanna Sotiriou
Director

Signature ....
Marianna Papoui
Secretary

Crowe Cyprus Limited
8 Stasinos Avenue, 1st Floor
Photiades Business Center
1060, Nicosia, Cyprus
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LASTIS ENERGY INVESTMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS
31 December 2018

LASTIS ENERGY INVESTMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS
Year ended 31 December 2018

CONTENTS

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Ioanna Sotiriou
Company Secretary:	Marianna Papoui 6B Tempon, Aglatzia 2114 Nicosia Cyprus
Independent Auditors:	Crowe Cyprus Limited Certified Public Accountants and Registered Auditors Photiades Business Centre 1st floor, 8 Stassinos Avenue P.O. Box 22545 1522 Nicosia
Registered office:	28 Anthoupoleos, Lakatamia 2301 Nicosia Cyprus

MANAGEMENT REPORT

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2018.

Principal activities and nature of operations of the Company
The principal activities of the Company, which are unchanged from last year, are the holding of investments in wind turbines projects and the provision of consultancy services in related projects.

Review of current position, future developments and performance of the Company's business
The Board of Directors will call for an extraordinary shareholder's meeting to resolve by special resolution that the Company be wound up voluntarily.

Going concern basis
The financial statements have not been prepared on a going concern basis since it is the intention of the Board of Directors to liquidate the Company as soon as arrangements can be made.

Results
The Company's results for the year are set out on page 6. The net loss for the year is carried forward.

Share capital
Authorised capital
On 16 March 2018 the Company increased its share capital to 6.480 ordinary shares of nominal value of €1 each.
On 29 August 2018 the Company increased its share capital to 6.980 ordinary shares of nominal value of €1 each.
Issued capital
On 16 March 2018, the Company issued 1.480 shares of nominal value €1 each at the price of €1.250 per share representing €1.249 share premium per share.
On 29 August 2018, the Company issued 500 shares of nominal value €1 each at the price of €210 per share representing €209 share premium per share.

Board of Directors
The member of the Company's Board of Directors as at the date of this report is presented on page 1.

In accordance with the Company's Articles of Association the sole Director presently member of the Board continues in office.

Events after the reporting period
Any significant events that occurred after the end of the reporting period are described in note 20 to the financial statements.

Independent Auditors
The Independent Auditors, Crowe Cyprus Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

Ioanna Sotiriou
Director

Nicosia, 2 August 2019

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Independent Auditor's Report

To the Members of Lastis Energy Investments Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of parent company Lastis Energy Investments Limited (the "Company"), which are presented in pages 6 to 20 and comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of parent company Lastis Energy Investments Limited as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 4 of the financial statements where it is indicated that the financial statements have not been prepared on a going concern basis since it is the intention of the Board of Directors to liquidate the Company as soon as arrangements can be made. Our opinion is not qualified in respect of this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report (continued)

To the Members of Lastis Energy Investments Limited

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report (continued)

To the Members of Lastis Energy Investments Limited

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, the Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Management Report.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Chrysis Pegasiou FCA
Certified Public Accountant and Registered Auditor
for and on behalf of
Crowe Cyprus Limited
Certified Public Accountants and Registered Auditors

Nicosia, 2 August 2019

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2018

	Note	**2018**	2017
		€	€
Administration expenses		**(12.703)**	(15.513)
Other expenses	7	**(4.603)**	(135.000)
Operating loss		**(17.306)**	(150.513)
Net finance costs	9	**(290)**	(688)
Loss before tax		**(17.596)**	(151.201)
Tax	10	**(15)**	-
Net loss for the year		**(17.611)**	(151.201)
Other comprehensive income		**-**	-
Total comprehensive expense for the year		**(17.611)**	(151.201)

The notes on pages 10 to 20 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
31 December 2018

	Note	2018 €	2017 €
ASSETS			
Non-current assets			
Investment in subsidiary	11	**1.000**	1.000
Investment in associate	12	**3.542.500**	1.930.000
		3.543.500	1.931.000
Current assets			
Trade and other receivables	13	**-**	4.603
Cash at bank	14	**7.473**	22.439
		7.473	27.042
Total assets		**3.550.973**	1.958.042
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**6.980**	5.000
Share premium		**4.098.021**	2.145.001
Other reserves		**(208.589)**	(208.589)
Accumulated losses		**(355.964)**	(338.353)
Total equity		**3.540.448**	1.603.059
Current liabilities			
Trade and other payables	16	**10.507**	354.965
Current tax liabilities	17	**18**	18
		10.525	354.983
Total equity and liabilities		**3.550.973**	1.958.042

On 2 August 2019 the Board of Directors of Lastis Energy Investments Limited authorised these financial statements for issue.

....
Ioanna Sotiriou
Director

The notes on pages 10 to 20 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2018

	Note	Share capital €	Share premium €	Merger reserve €	Accumulated losses €	Total €
Balance at 1 January 2017		**3.000**	**777.001**	**-**	**(187.152)**	**592.849**
Total comprehensive expense for the year		-	-	-	(151.201)	(151.201)
Issue of share capital	15	2.000	1.368.000	-	-	1.370.000
From merger		-	-	(208.589)	-	(208.589)
Balance at 31 December 2017/ 1 January 2018		**5.000**	**2.145.001**	**(208.589)**	**(338.353)**	**1.603.059**
Total comprehensive expense for the year		-	-	-	(17.611)	(17.611)
Issue of share capital	15	1.980	1.953.020	-	-	1.955.000
Balance at 31 December 2018		**6.980**	**4.098.021**	**(208.589)**	**(355.964)**	**3.540.448**

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

CASH FLOW STATEMENT
Year ended 31 December 2018

	Note	2018 €	2017 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(17.596)**	(151.201)
Adjustments for:			
Interest income	9	**(103)**	-
		(17.699)	(151.201)
Changes in working capital:			
Decrease/(increase) in trade and other receivables		**4.603**	(4.218)
Decrease in trade and other payables		**(344.458)**	(208.880)
Cash used in operations		**(357.554)**	(364.299)
Tax paid		**(15)**	-
Net cash used in operating activities		**(357.569)**	(364.299)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of investments in subsidiaries	11	**-**	(355.000)
Payment for purchase of investments in associated undertakings	12	**(1.612.500)**	(1.230.000)
Interest received		**103**	-
Net cash used in investing activities		**(1.612.397)**	(1.585.000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		**1.955.000**	1.370.000
Net cash generated from financing activities		**1.955.000**	1.370.000
Net decrease in cash and cash equivalents		**(14.966)**	(579.299)
Cash and cash equivalents at beginning of the year		**22.439**	601.738
Cash and cash equivalents at end of the year	14	**7.473**	22.439

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2018

1. Incorporation and principal activities

Country of incorporation

The Company Lastis Energy Investments Limited (the "Company") was incorporated in Cyprus on 20 July 2015 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 28 Anthoupoleos, Lakatamia, 2301 Nicosia, Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the holding of investments in wind turbines projects and the provision of consultancy services in related projects.

2. Basis of preparation

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

The Company is not required by the Cyprus Companies Law, Cap.113, to prepare consolidated financial statements because the Company and its subsidiaries constitute a small sized group as defined by the Law and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2018.

The European Commission has concluded that since parent companies are required by the EU Accounting (2013/34/EU) Directive to prepare separate financial statements and since the Cyprus Companies Law, Cap.113, requires the preparation of such financial statements in accordance with IFRS as adopted by the EU, the provisions in IFRS 10 "Consolidated Financial statements" requiring the preparation of consolidated financial statements in accordance with IFRS do not apply.

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

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2018. This adoption did not have a material effect on the accounting policies of the Company.

4. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. Apart from the accounting policy changes resulting from the adoption of IFRS 9 and IFRS 15 effective from 1 January 2018, these policies have been consistently applied to all the years presented, unless otherwise stated. The principal accounting policies in respect of financial instruments and revenue recognition applied till 31 December 2017 are presented in note 19.

Going concern basis

The financial statements have not been prepared on a going concern basis since it is the intention of the Board of Directors to liquidate the Company as soon as arrangements can be made.

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

4. Significant accounting policies (continued)

Subsidiary companies (continued)

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated undertakings are stated at cost less provision for permanent diminution in value, which is recognised as an expense in the period in which the diminution is identified.

Finance income

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

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Financial assets - Classification

From 1 January 2018, the Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

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

For investments in equity instruments that are not held for trading, classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

4. Significant accounting policies (continued)

Financial assets - Recognition and derecognition

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

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

Financial assets - Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

<u>Debt instruments</u>

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

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

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in "other income". Foreign exchange gains and losses are presented in "other gains/(losses)" and impairment expenses are presented as separate line item in the statement of comprehensive income.

FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within "other gains/(losses)" in the period in which it arises.

4. Significant accounting policies (continued)

Financial assets - Measurement (continued)

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. The Company's policy is to designate equity investments as FVOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in "other gains/(losses)" in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial assets - impairment - credit loss allowance for ECL

From 1 January 2018, the Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at AC and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within "net impairment losses on financial and contract assets".

Debt instruments measured at AC are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

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

For trade receivables including trade receivables with a significant financing component and contract assets and lease receivables the Company applies the simplified approach permitted by IFRS 9, which uses lifetime expected losses to be recognised from initial recognition of the financial assets.

For all other financial asset that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets -Reclassification

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

4. Significant accounting policies (continued)

Financial assets - write-off

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

Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (eg profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

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

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

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank.Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Financial assets at amortised cost

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

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

4. Significant accounting policies (continued)

Trade payables

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

Share capital

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

5. New accounting pronouncements

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

6. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Going concern basis**

  The assessment of the Company for the appropriateness of the use of the going concern basis is disclosed in note 4.

- **Income taxes**

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

6. Critical accounting estimates and judgments (continued)

- **Impairment of investments in subsidiaries/associates**

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

7. Other expenses

	2018	2017
	€	€
Consultancy expense	-	135.000
Impairment charge - receivable	4.603	-
	4.603	135.000

8. Expenses by nature

	2018	2017
	€	€
Auditors' remuneration	3.570	3.570
Administration expenses	1.190	2.975
Other professional fees	6.263	8.618
Annual levy	490	350
Accounting fees	1.190	-
Total expenses	12.703	15.513

9. Finance income/(costs)

	2018	2017
	€	€
Interest income	103	-
Finance income	103	-
Sundry finance expenses	(393)	(688)
Finance costs	(393)	(688)
Net finance costs	(290)	(688)

10. Tax

	2018	2017
	€	€
Defence contribution	15	-
Charge for the year	15	-

10. Tax (continued)

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

	2018	2017
	€	€
Loss before tax	**(17.596)**	(151.201)
Tax calculated at the applicable tax rates	**(2.200)**	(18.900)
Tax effect of expenses not deductible for tax purposes	**2.200**	18.900
Defence contribution current year	**15**	-
Tax charge	**15**	-

The corporation tax rate is 12,5%.

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

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

11. Investment in subsidiary

	2018	2017
	€	€
Balance at 1 January	**1.000**	201.000
Additions	**-**	355.000
Absorption of subsidiary	**-**	(555.000)
Balance at 31 December	**1.000**	1.000

The details of the subsidiary are as follows:

Name	Country of incorporation	Principal activities	2018 Holding %	2017 Holding %
Silio Enterprises Limited	Cyprus	Holding of investments and provision of finance	**100**	100

On 13 January 2017, Benzemia Enterprises Limited increased its share capital by issuing 1.000 shares of €1 each at the price of €355 per share, representing €354 share premium per share. The Company has fully contributed to the increase.
On 17 August 2017, Benzemia Enterprises Limited has been dissolved without going into liquidation in a scheme of merger with the Company, by transferring all its assets and liabilities to the Company.

12. Investment in associate

	2018	2017
	€	€
Balance at 1 January	**1.930.000**	-
Additions	**1.612.500**	1.930.000
Balance at 31 December	**3.542.500**	1.930.000

12. Investment in associate (continued)

The details of the investment are as follows:

Name	Country of incorporation	Principal activities	**2018 Holding %**	2017 Holding %
Thivaikos Anemos AE	Greece	Production and distribution of electricity	**45,30**	43,34

On 29 November 2018, Thivaikos Anemos increased its share capital by issuing 2.330 shares of €10 each at the price of €1.250 per share, representing €1.240 share premium per share.
The Company has contributed to the increase by acquiring 1.290 shares of €10 each at the price of €1.250 per share, representing €1.240 share premium per share.

13. Trade and other receivables

	2018 €	2017 €
Receivable from subsidiary (Note 18.1)	-	4.603
	-	4.603

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

14. Cash at bank

For the purposes of the cash flow statement, the cash and cash equivalents include the following:

	2018 €	2017 €
Cash at bank	**7.473**	22.439
	7.473	22.439

15. Share capital

	2018 Number of shares	**2018 €**	2017 Number of shares	2017 €
Authorised				
Ordinary shares of €1 each	**6.980**	**6.980**	5.000	5.000
		€		€
Issued and fully paid				
Balance at 1 January	**5.000**	**5.000**	3.000	3.000
Issue of shares	**1.980**	**1.980**	2.000	2.000
Balance at 31 December	**6.980**	**6.980**	5.000	5.000

Authorised capital

On 16 March 2018 the Company increased its share capital to 6.480 ordinary shares of nominal value of €1 each.
On 29 August 2018 the Company increased its share capital to 6.980 ordinary shares of nominal value of €1 each.

15. Share capital (continued)

Issued capital

On 16 March 2018, the Company issued 1.480 shares of nominal value €1 each at the price of €1.250 per share representing €1.249 share premium per share.
On 29 August 2018, the Company issued 500 shares of nominal value €1 each at the price of €210 per share representing €209 share premium per share.

16. Trade and other payables

	2018	2017
	€	€
Accruals	**4.060**	3.570
Other creditors	**6.447**	351.395
	10.507	354.965

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

17. Current tax liabilities

	2018	2017
	€	€
Corporation tax	**18**	18
	18	18

18. Related party transactions

The following transactions were carried out with related parties:

18.1 Receivable from subsidiary (Note 13)

	2018	2017
	€	€
As at 31 December	**-**	4.603

During 2018 a provision for impairment of receivable from subsidiary has been recognised amounting to €4.603.

19. Accounting policies up to 31 December 2017

Accounting policies applicable to the comparative period ended 31 December 2017 that were amended by IFRS 9, are as follows.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

20. Events after the reporting period

On 19 March 2019 the Company disposed 100% of the share capital in Silio Enterprises Limited.

The Board of Directors will call for an extraordinary shareholder's meeting to resolve by special resolution that the Company be wound up voluntarily.

Independent auditor's report on pages 3 to 5