Crowe Horwath™

Horwath DSP Limited
Member Crowe Horwath International

8 Stassinos Avenue, 1st Floor,
Photiades Business Center
1060 Nicosia, Cyprus
P.O.Box 22545, 1522 Nicosia, Cyprus
Tel. +357.22.755.656
Fax +357.22.452.055
www.crowehorwath.com.cy

BIOSAR - PV PROJECT MANAGEMENT LIMITED

REPORT AND FINANCIAL STATEMENTS
31 December 2013

BIOSAR - PV PROJECT MANAGEMENT LIMITED

REPORT AND FINANCIAL STATEMENTS
31 December 2013

CONTENTS

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Andreas Mavromatis Georgios Koutsopodiotis
Company Secretary:	Brena Services Limited 8 Zinonos Kitieos 2322, Kato Lakatamia Nicosia, Cyprus
Independent Auditors:	Horwath DSP Limited Certified Public Accountants and Registered Auditors Photiades Business Centre 1st floor, 8 Stassinos Avenue P.O. Box 22545 1522 Nicosia
Registered office:	33 Vas. Friderikis, Palas D'Ivoire 4th floor, office/flat 403 & 404 1066, Nicosia Cyprus

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2013.

Principal activities
The principal activities of the Company, which are unchanged from last year, are the holding of investments and provision of finance.

Review of current position, future developments and significant risks
The Company has incurred losses during the year. However the board of directors expects that the appreciation of the value of the investments in the subsidiary companies in the forthcoming years will outweigh these losses.

The main risks and uncertainties faced by the Company and the steps taken to manage these risks, are described in note 3 of the financial statements.

Results
The Company's results for the year are set out on page 5.

Share capital
There were no changes in the share capital of the Company during the year.

Board of Directors
The member of the Company's Board of Directors as at the date of this report is presented on page 1. The sole director was a member of the Board of Directors throughout the year ended 31 December 2013.

There were no significant changes in the remuneration of the Board of Directors.

Events after the reporting period
Any significant events that occurred after the end of the reporting period are described in note 17 to the financial statements.

Independent Auditors
The Independent Auditors, Horwath DSP 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,

Andreas Mavromatis
Director

Nicosia, 20 February 2014

Crowe Horwath™

Horwath DSP Limited
Member Crowe Horwath International

8 Stassinos Avenue, 1st Floor,
Photiades Business Center
1060 Nicosia, Cyprus
P.O.Box 22545, 1522 Nicosia, Cyprus
Tel. +357.22.755.656
Fax +357.22.452.055
www.crowehorwath.com.cy

Independent auditor's report

To the Members of Biosar - PV Project Management Limited

Report on the financial statements

We have audited the financial statements of parent company Biosar - PV Project Management Limited (the "Company") on pages 5 to 15 which comprise the statement of financial position as at 31 December 2013, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of parent company Biosar - PV Project Management Limited as at 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Independent auditor's report (continued)

To the Members of Biosar - PV Project Management Limited

Report on other legal requirements

Pursuant to the requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

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 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009 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 ACA
Certified Public Accountant and Registered Auditor
for and on behalf of
Horwath DSP Limited
Certified Public Accountants and Registered Auditors

Nicosia, 20 February 2014

BIOSAR - PV PROJECT MANAGEMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2013

	Note	**2013**	2012
		€	€
Loan interest income		**558**	-
Profit from sale of available-for-sale investments		**2.100**	-
Administration expenses		**(10.884)**	(27.805)
Other expenses	5	**-**	(1.570)
Operating loss		**(8.226)**	(29.375)
Finance costs	7	**(587)**	(60)
Loss before tax		**(8.813)**	(29.435)
Tax	8	**-**	-
Net loss for the year/period		**(8.813)**	(29.435)
Other comprehensive income		**-**	-
Total comprehensive expense for the year/period		**(8.813)**	(29.435)

The notes on pages 9 to 15 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
31 December 2013

	Note	2013 €	2012 €
ASSETS			
Non-current assets			
Investments in subsidiaries	9	**8.041.500**	5.800.000
Loans receivable	11	**1.363.559**	-
		9.405.059	5.800.000
Current assets			
Trade and other receivables	12	**1.289**	210.000
Cash at bank	13	**14.811**	117
		16.100	210.117
Total assets		**9.421.159**	6.010.117
EQUITY AND LIABILITIES			
Equity			
Share capital	14	**1.000**	1.000
Accumulated losses		**(38.248)**	(29.435)
Total equity		**(37.248)**	(28.435)
Current liabilities			
Trade and other payables	15	**9.458.407**	6.038.552
		9.458.407	6.038.552
Total equity and liabilities		**9.421.159**	6.010.117

On 20 February 2014 the Board of Directors of Biosar - PV Project Management Limited authorised these financial statements for issue.

....	....
Andreas Mavromatis	Georgios Koutsopodiotis
Director	Director

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2013

	Note	Share capital €	Accumulated losses €	Total €
Comprehensive income				
Net loss for the period		-	(29.435)	(29.435)
Transactions with owners				
Issue of share capital	14	1.000	-	1.000
Balance at 31 December 2012/ 1 January 2013		**1.000**	**(29.435)**	**(28.435)**
Comprehensive income				
Net loss for the year		-	(8.813)	(8.813)
Balance at 31 December 2013		**1.000**	**(38.248)**	**(37.248)**

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 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) are Cyprus tax residents. 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 2013

	Note	2013 €	2012 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(8.813)**	(29.435)
Adjustments for:			
Profit from the sale of available-for-sale investments		**(2.100)**	-
Interest income		**(558)**	-
Cash flows used in operations before working capital changes		**(11.471)**	(29.435)
Decrease/(increase) in trade and other receivables		**208.711**	(209.000)
Increase in trade and other payables		**3.419.855**	6.038.552
Cash flows from operations		**3.617.095**	5.800.117
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of available-for-sale investments		**(600)**	-
Payment for purchase of investments in subsidiaries	9	**(2.241.500)**	(5.800.000)
Loans granted		**(1.363.001)**	-
Proceeds from sale of available-for-sale investments		**2.700**	-
Net cash flows used in investing activities		**(3.602.401)**	(5.800.000)
CASH FLOWS FROM FINANCING ACTIVITIES		**-**	-
Net increase in cash and cash equivalents		**14.694**	117
Cash and cash equivalents:			
At beginning of the year/period		**117**	-
At end of the year/period	13	**14.811**	117

The notes on pages 9 to 15 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2013

1. Incorporation and principal activities

Country of incorporation

The Company Biosar - PV Project Management Limited (the "Company") was incorporated in Cyprus on 5 September 2011 as a private limited liability Company under the Cyprus Companies Law, Cap. 113. Its registered office is at 33 Vas. Friderikis, Palas D'Ivoire, 4th floor, office/flat 403 & 404, 1066, Nicosia, Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the holding of investments and provision of finance.

2. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

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 ultimate parent company publishes consolidated financial statements in accordance with Generally Accepted Accounting Principles in Greece and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2013.

Since the 7th Directive of the European Union permits the preparation of consolidated financial statements in accordance with the Directive or in a manner equivalent to the Directive, and since the Cyprus Companies Law, Cap. 113, provides the aforementioned exemption, the provisions of International Accounting Standard 27 "Consolidated and separate financial statements" that require the preparation of consolidated financial statements in accordance with IFRS do not apply.

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

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.

Adoption of new and revised IFRSs

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 2013. This adoption did not have a material effect on the accounting policies of the Company.

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.

2. Accounting policies (continued)

Subsidiary companies

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.

Revenue recognition

Revenues earned by the Company are recognised on the following bases:

- **Income from investments in securities**

  Dividend from investments in securities is recognised when the right to receive payment is established. Withheld taxes are transferred to profit or loss. Interest from investments in securities is recognised on an accruals basis.

  Profits or losses from the sale of investments in securities represent the difference between the net proceeds and the carrying amount of the investments sold and is transferred to profit or loss.

  The difference between the fair value of investments at fair value through profit or loss as at 31 December 2013 and the mid cost price represents unrealised gains and losses and is included in profit or loss in the period in which it arises. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in equity. When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments are included in profit or loss as fair value gains or losses on investments, taking into account any amounts charged or credited to profit or loss in previous periods.

- **Interest income**

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

Finance costs

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

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.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand.

Share capital

Ordinary shares are classified as equity.

3. Financial risk management

Financial risk factors
The Company is exposed to interest rate risk, credit risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

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

3.2 Credit risk
Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company has no significant concentration of credit risk. The Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables. Cash balances are held with high credit quality financial institutions and the Company has policies to limit the amount of credit exposure to any financial institution.

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

3.4 Capital risk management
The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

Fair value estimation

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

4. Critical accounting estimates and judgments

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.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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:

- **Impairment of investments in subsidiaries**

  The Company periodically evaluates the recoverability of investments in subsidiaries 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 may be impaired, the estimated future undiscounted 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.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2013

5. Other expenses

	2013	2012
	€	€
Incorporation expenses	-	1.570
	-	1.570

6. Expenses by nature

	2013	2012
	€	€
Auditors' remuneration	1.785	2.360
Accounting expenses - current years	1.892	878
Accounting expenses - prior years	1.062	-
Administration expenses	1.180	1.150
Professional expenses	4.265	23.417
Annual levy	700	-
Total expenses	10.884	27.805

7. Finance costs

	2013	2012
	€	€
Sundry finance expenses	587	60
	587	60

8. Tax

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

	2013	2012
	€	€
Loss before tax	(8.813)	(29.435)
Tax calculated at the applicable tax rates	(1.102)	(2.944)
Tax effect of expenses not deductible for tax purposes	1.238	2.944
Tax effect of allowances and income not subject to tax	(263)	-
Tax effect of tax loss for the year/period	127	-
Tax charge	-	-

The corporation tax rate is 12,5% (2012:10%).

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years

9. Investments in subsidiaries

	2013 €	2012 €
Balance at 1 January/5 September	5.800.000	-
Additions	2.241.500	5.800.000
Balance at 31 December	**8.041.500**	5.800.000

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	2013 Holding %	2012 Holding %
Eliosar AE	Greece	Operating in the renewable energy sector	100	100
Antos Holdings Limited	Cyprus	Holding of investment and provision of finance.	100	-

10. Available-for-sale investments

	2013 €	2012 €
Balance at 1 January/5 September	-	-
Additions	300	-
Disposals	(300)	-
Balance at 31 December	-	-

The following are included in profit or loss with respect to available-for-sale investments:

	2013 €	2012 €
Profit from sale of available-for-sale investments	2.100	-
Net profit on available-for-sale investments	2.100	-

11. Loans receivable

	2013 €	2012 €
Loans to subsidiaries (Note 16)	1.237.407	-
Loans to related companies (Note 16)	126.152	-
	1.363.559	-

The fair values of loans receivable approximate to their carrying amounts as presented above.

12. Trade and other receivables

	2013 €	2012 €
Receivables from related companies (Note 16)	1.289	-
Deposits and prepayments	-	210.000
	1.289	210.000

12. Trade and other receivables (continued)

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

13. Cash at bank

Cash balances are analysed as follows:

	2013	2012
	€	€
Cash at bank	14.811	117
	14.811	117

14. Share capital

	2013 Number of shares	2013 €	2012 Number of shares	2012 €
Authorised				
Ordinary shares of €1 each	5.000	5.000	5.000	5.000
Issued and fully paid				
Balance at 1 January/5 September	1.000	1.000	-	-
Issue of shares	-	-	1.000	1.000
Balance at 31 December	1.000	1.000	1.000	1.000

15. Trade and other payables

	2013	2012
	€	€
Shareholders' current accounts - credit balances (Note 16)	9.428.495	1.500
Accruals	2.263	2.360
Other creditors	3.649	5.792
Payables to related companies (Note 16)	24.000	6.028.900
	9.458.407	6.038.552

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

16. Related party transactions

The following transactions were carried out with related parties:

16.1 Loan interest income

	2013	2012
	€	€
Eliosar AE	507	-
Solar Olive Monoprosopi AE	51	-
	558	-

16. Related party transactions (continued)

16.2 Receivables from related parties (Note 12)

	Nature of transactions	2013 €	2012 €
Aktor SA	Finance	**1.000**	-
Biosal Holdings Limited	Finance	**289**	-
		1.289	-

16.3 Loans to subsidiaries (Note 11)

	2013 €	2012 €
Eliosar AE	**1.237.407**	-
	1.237.407	-

The loan to subsidiary bears interest at the rate of 3 months Euribor plus 1% and is repayable in 20 years.

16.4 Loans to related companies (Note 11)

	2013 €	2012 €
Solar Olive Monoprosopi AE	**126.152**	-
	126.152	-

The loan to related company bears interest at the rate of 3 months Euribor plus 1% and is repayable in 10 years.

16.5 Payables to related parties (Note 15)

	Nature of transactions	2013 €	2012 €
Aktor ATE	Finance	-	6.028.900
Aktor Constructions International Limited	Finance	**24.000**	-
		24.000	6.028.900

16.6 Shareholders' current accounts - credit balances (Note 15)

	2013 €	2012 €
As at 31 December	**9.428.495**	1.500
	9.428.495	1.500

The shareholders' current accounts are interest free, and have no specified repayment date.

17. Events after the reporting period

Significant events that occurred after the end of the reporting period are described in note to the financial statements.

Independent auditor's report on pages 3 and 4