2019 ANNUAL FINANCIAL REPORT

For the period 1 January 2019 - 31 December 2019
In accordance with the International Financial Reporting Standards

HELLENIC CENTRAL SECURITIES DEPOSITORY SA
110 Athinon Avenue
Postal Code: 10442
Tel.: 210 3366800
Fax: 210 3366101

TABLE OF CONTENTS

1. DECLARATIONS BY MEMBERS OF THE BOARD OF DIRECTORS

(in accordance with Article 4 of Law 3556/2007)

WE DECLARE THAT

1. To the best of our knowledge, the accompanying annual Financial Statements, which have been prepared in accordance with the applicable International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity as at 31.12.2019 and the results of fiscal year 2019 of "HELLENIC CENTRAL SECURITIES DEPOSITORY S.A."
2. To the best of our knowledge, the accompanying report of the Board of Directors for fiscal year 2019 presents truly and fairly the course, performance and position of "HELLENIC CENTRAL SECURITIES DEPOSITORY S.A.", including the description of main risks and uncertainties that the Company faces.
3. To the best of our knowledge, the accompanying Financial Statements for fiscal year 2019 are those approved by the Board of Directors of "HELLENIC CENTRAL SECURITIES DEPOSITORY S.A." on 30.03.2020.

Athens, 30 March 2020

THE	THE	THE
CHAIRMAN OF THE BoD	**CHIEF EXECUTIVE OFFICER**	**VICE CHAIRWOMAN OF THE BoD**
GEORGE HANDJINICOLAOU	**SOCRATES LAZARIDIS**	**ADAMANTINI LAZARI**
ID CARD No. X-501829	**ID CARD No. AK -218278**	**ID CARD No. AB 205785**

2. MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

OF "HELLENIC CENTRAL SECURITIES DEPOSITORY S.A." FOR FISCAL YEAR 2019

(in accordance with Law 3556/2007)

The Board of Directors of “HELLENIC CENTRAL SECURITIES DEPOSITORY S.A.” (ATHEXCSD) presents its annual Report with regard to the annual financial statements for the year ended 31.12.2019 pursuant to Law 4548/2018.

The annual financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union.

THE GREEK STOCK MARKET

The Athens Exchange General Index closed on 31.12.2019 at 916.67 points, 49.47% higher than the close at the end of 2018 (613.30 points). The average capitalization of the market was €54.8bn, increased by 4.9% compared to 2018 (€52.2bn).

The total value of transactions in 2019 (€16.6bn) is 20.0% higher compared to 2018 (€13.9bn), while the average daily traded value was €67.4m compared to €55.7m in 2018, increased by 21.0%. The average daily traded volume decreased by 13.7% (32.2m shares vs. 37.3m shares).

In the derivatives market, total trading activity dropped by 25.1% (2019: 10.6m contracts, 2018: 14.1m), while the average daily traded volume decreased by 24.5% (42.8 thousand contracts vs. 56.7 thousand).

BUSINESS DEVELOPMENTS

New listings of transferable securities

In 2019, the following corporate bonds were listed in the Fixed Income Segment: AEGEAN AIRLINES (€200m raised); ATTICA HOLDING (€175 raised) and TERNA ENERGY FINANCE (€150m raised). In total, €525 million were raised, and all of the above bonds were issued through public offers and use of the EBB [Electronic Book Building] service.

In addition, TITAN CEMENT INTERNATIONAL S.A. did a secondary listing of its shares in the Main Market of the Athens Exchange, following the successful completion of the voluntary public offer to exchange its shares, with those of TITAN S.A., which was then listed at the Athens Exchange.

Significant corporate actions – Rights issues

- VARVARESOS, MOTODYNAMIKI, CRETA FARM, INTERTEK, TRASTOR, UNIBIOS, BRIQ PROPERTIES and LAMDA DEVELOPMENT increased their share capital through the exercise of the preemption right by existing shareholders, raising a total of 740.5m.
- TERNA ENERGEY FINANCE repaid an existing bond amounting to €60m.
- OPAP increased its share capital by issuing new shares due to the exercise of options from the fiscal year 2018 dividend reinvestment program.
- FORTHNET listed new shares resulting from the conversion of convertible bonds.
- FOURLIS and COCA-COLA HBC AG listed new shares resulting from share capital increases due to the exercise of stock options.

Three corporate transformations took place. In particular:

- EUROBANK ERGASIAS merged by absorbing the listed company GRIVALIA PROPERTIES
- ELLAKTOR merged by absorbing the listed company EL. TECH. ANEMOS
- SELONDA AQUACULTURE merged by absorbing the non-listed companies CALYMNOS AQUACULTURE, NIMOS and SPARFIS.

Alternative Market – EN.A.

In August 2019 the corporate bond of MLS INNOVATION began trading in the Fixed Income Segment. The issue was through a private placement and the total amount raised was €6.7 million.

In addition, as part of the initiative by the Athens Exchange to enhance accessibility to capital markets by businesses and in particular SMEs, in 2019 the development of new rules for the Alternative Market (EN.A.) was completed, with the aim of:

- Providing flexibility and alternative choices to issuers as to how to enter (entry by private placement or public offer, without the need for a minimum free float, history of operation or activity in the sector)
- balancing between the obligations for issuers (on entry and while remaining in the market) and the needs of investors
- covering various financing needs with a range of tools – equity financing, bond financing or a combination of the above and/or with the issuance of warrants
- upgrading the role of EN.A. Advisor in the operation of the Alternative Market, as its presence is now mandatory when transferable securities start trading (stocks, corporate bonds) in all trading segments (STEP, PLUS, Bonds).

Regulation (EU) 909/2014 (CSDR) – Strategic adaptation of ATHEXCSD to the new environment

Regulation (EU) 909/2014 (CSDR) “on improving securities settlement in the European Union and on central securities depositories” is part of the EU’s European integration package in the field of post-trading services and the establishment of single market conditions. This Regulation affects the operation of the Greek capital market by introducing significant changes through: a) the liberalization of the Central Security Depository services being introduced at the EU level, and b) through the adoption of omnibus accounts for safekeeping securities.

Within the abovementioned framework, ATHEXCSD actively participates in the adaptation of the Greek capital market to the new environment, especially concerning the licensing of the company in accordance with the CSDR Regulation in 2019. An important development in that direction is the publication of law 4569/2018 “I) Central Securities Depositories, II) Adaptation of Greek law to the provisions of Directive (EU) 2016/2258 and other provisions, and III) other provisions of the Ministry of Finance” (Government Gazette 179/11.10.2018).

In particular, in 2019 ATHEXCSD actively participated in the following tasks:

- Implementation of compliance actions by ATHEXCSD in the context of its licensing process in accordance with the CSDR Regulation and law 4548/2018, in order for the Hellenic Capital Market Commission to signal that the licensing dossier is complete, by 31.03.2020. At the same time the consultation with all stakeholders was completed, in order to finalize the design of the necessary adjustment of the (core and ancillary) services by ATHEXCSD (to Operators, Issuers and Investors), and the formulation of the new Regulation of Operation of the company in accordance with article 4 of law 4547/201 in the new environment under the CSDR Regulation.
- Review the CSDR Level 2 regulatory & technical standards concerning the implementation of measures to deal with settlement discipline in order to analyze the effects and draft / implement compliance measures for ATHEXCSD. It should be noted that the provisions in question were published in the Official Journal of the European Union on 13.09.2018, and that compliance by central securities depositories with them begins on 14.09.2020, which following a legislative initiative by EMSA is expected to be pushed back to 1.2.2021.
- Receipt and publication of all required decisions concerning the timely implementation, during the period November 2018 – July 2019 of the actions / tasks as specified in paragraphs 7, 8 and 9 of article 29 of law 4569/2018 (Government Gazette A’ 179/11.10.2018). Implementation of these actions / tasks is an essential prerequisite to complete the required adjustments to the ATHEXCSD’s framework of operation, especially as the Dematerialized Securities System (DSS) is concerned, in order to complete the application dossier of the company for receiving a license to operate a central securities depository in accordance with Regulation EU 909/2014 (CSDR) and law 4569/2018 (Government Gazette A’ 179/11.10.2018). Information on the process and the specific terms applied in the relevant provisions of law 4569/2018 (article 29, par. 7, 8 & 9) are published on the website www.athexgroup.gr/Law4569, while the tables assigning securities of beneficiaries to be auctioned to members and the table of balances of securities being auction per auction day are published on the website, at www.athexgroup.gr/Law4569-ForcedSales.

Participation in the project to consolidate the Eurosystem Target2 services ("T2/T2S Consolidation")

The project concerns the consolidation of the Target2, T2S and TIPS services of the Eurosystem, both technically and operationally, in a new consolidated platform ("T2/T2S Consolidation"). The goal of the new consolidated platform is to respond to the changing needs of the market, replacing Target2 with a new Real Time Settlement System (RTGS), optimizing liquidity management across all Target2 services.

The operation of the new consolidated platform is scheduled to begin in November 2021. Communication will take place through ISO 20022 messages. During the 1st half, the first specification documents were published for consultation [User Detailed Functional Specifications v1.1 - Central Liquidity Management (CLM) and User Detailed Functional Specifications v1.1 – Real-time gross settlement (RTGS)]. Without prejudice to ongoing statutory audits to be continued until the autumn of 2019, SIA-COLT and SWIFT will conclude a contract with the Eurosystem to offer connectivity to all Eurosystem market infrastructure services through Eurosystem Single Market Infrastructure Gateway (ESMIG).

The participation of the Group in the above project concerns the appropriate and timely adjustment of the ATHEXCSD and ATHEXClear services to the planned consolidated Target2 services platform ("T2/T2S Consolidation"). In 2019 the detailed evaluation of the business and technical implications began on the timely adaptation of the ATHEXCSD / ATHEXClear systems and processes to the new consolidated Target2 services platform.

Project to update DSS Account information by Operators, in accordance with Decisions 1/736/2.11.2015 (Government Gazette B' 2558/26.11.2015) & 7/759/29.6.2016 (Government Gazette B' 2130/11.07.2016) of the Board of Directors of the Hellenic Capital Market Commission and Decision 6/27.06.2016 of the Board of Directors of ATHEXCSD, in effect since 30.06.2016

In accordance with the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission and ATHEXCSD, in 2019 periodic (monthly and every 4 months) audits were planned and carried out on the correctness of the registrations in the active Investor Shares in the Dematerialized Securities System (DSS) by ATHEXCSD and corresponding provision of information to DSS Operators, in order for the relevant data maintained in DSS to be updated in accordance with the existing regulatory framework.

Progress on the tasks of this project is additionally monitored through a questionnaire to DSS Operators every 4 months (January, May and September) of each year. All relevant tasks are part of the preparation of the migration of Dematerialized Securities System (DSS) to the new environment under the CSD Regulation that will take place when the license is granted to ATHEXCSD to operate a central securities depository in accordance with the Regulation in question.

Completing the necessary adaptations to fulfill the obligations of the companies of the Athens Exchange Group and of participants in the Greek market, especially ATHEXCSD and DSS Operators, concerning the automatic exchange of financial information in accordance with relevant legislation

The relevant tasks and projects concern:

- The agreement between Greece and the USA to apply FATCA (Foreign Account Tax Compliance Act), as incorporated into Greek law with Law 4493/2017 (Government Gazette A' 164/31.10.2017).
- Regulation 2011/16/EU as amended by Regulation 2014/107/EU, and incorporated into Greek law with Law 4170/2013 and Law 4378/2016.
- The OECD Multilateral Competent Authority Agreement ("Common Reference Standard"), as incorporated into Greek law with law 4428/2016.

Based on the above, the following reports were submitted by ATHEXCSD concerning the portfolios kept in the special account:

- May 2019 – Submission of the 3rd report for 2018, in implementation of the Multilateral Agreement by the Relevant Authorities of OECD ("Common Reporting Standard" CRS/DAC2) and Directive 2011/16/EU as amended by Directive 2014/107/EU, in accordance with Ministerial Circulars 1135/2017, 1137/2017, 1090/2018 & 1102/2018.

- June 2019 – Submission of the 2nd report in implementation of the FATCA legislation, in accordance with Ministerial Circular 1094/21.05.2018 (Government Gazette B' 1891/24.05.2018) decision of the Head of AADE [Independent Public Revenue Authority].

Developing the AXIAlei service

Responding to the requirement that all legal entities that carry out transactions on transferable securities starting on 3.1.2018 need to issue a Legal Entity Identifier (LEI) code, in accordance with the relevant declaration by ESMA of 27.12.2017 and the Hellenic Capital Market Commission as part of the application of the MiFID II Directive and the MiFIR Regulation, ATHEXCSD successfully provided this service (AXIAlei).

In particular, in 2019:

- 314 new LEI codes were issued by ATHEXCSD
- 1,719 LEI codes were renewed by ATHEXCSD
- 11 LEI codes were transferred from another provider to ATHEXCSD
- 5 LEI codes were transferred from ATHEXCSD to another provider

In addition, as part of the continuous improvement and the competitiveness of the AXIAlei services, new, competitive charges were announced, in effect starting 01.07.2019. More information on the AXIAlei services provided are published on the website of the Company (https://www.athexgroup.gr/axialei).

COMMENTS ON THE RESULTS

The turnover of ATHEXCSD in 2019 came to €15.4 million compared to €10.7 million, recording a 43.6% increase compared to 2018, while the net after tax earnings amounted to €4.1 million compared to €1.8 million in 2018, posting a 134% increase. The increase in net earnings is mainly due to the increase in revenue from trade settlement.

The flat annual settlement fee that ATHEXCSD collects from ATHEXClear is calculated at 60% of clearing revenue of the clearing house, with a minimum of €3 million and a maximum of €15 million per annum.

Expenses

The total expenses of the Company in 2019 amounted to €7.4 million compared to €7.3 million in the previous fiscal year, showing an increase of 1.1%.

Personnel remuneration and expenses came to €3.9 million compared to €3.4 million in the same period last year, showing an increase of 14% due mainly to a provision for a bonus to personnel.

The following financial indicators for the Company are indicatively provided:

	31.12.2019	31.12.2018	Deviation %
EBITDA	51.5%	31.2%	64.8%
Cash flows after investment (in thousand €)	7,045	1,919	267.1%
Return on Assets (ROA) %	8.0%	3.6%	122.2%
Return on Equity (ROE) %	9.3%	4.1%	129.9%
Degree of financial self-sufficiency	82.0%	88.0%	(6.8%)

SHARE CAPITAL

The share capital of the Company amounts to €24,078,000 and consists of 802,600 shares of a nominal value of €30.00 each. The share capital of the Company did not change in fiscal year 2019.

DIVIDEND POLICY

The Ordinary General Meeting of 30.05.2019 decided at its unsolicited universal meeting the distribution of dividend in the amount of €3,210,400 or €4.00 per share. The dividend was paid on 05.06.2019 to the Athens Exchange as the sole shareholder of the Company.

TRANSACTIONS BETWEEN RELATED PARTIES

Total transactions with related parties amount to €385 thousand and concern the remuneration of executives, compared to €371 thousand last year. Apart from these transactions, no other transactions were carried out with related parties as defined in IAS 24, which could materially affect the financial position or the performance of the Company during this fiscal year.

OUTLOOK FOR 2020

The positive investment climate that prevailed in the first weeks of the new year as a result of a significant – in terms of returns – 2019, had raised hopes for capital raises through the market. Companies were considering listing on the Exchange or capital raises, which it was estimated would further increase investor interest. However, starting in the first days of February, the outbreak of COVID-19 begun to changes the above mentioned dynamic for the worse.

The rapid spread of the coronavirus (COVID-19) disease, finds the world financial system and business to a large degree unprepared. The world economy is entering a period of uncertainty and instability, the consequences of which are difficult to estimate based on the facts so far. The economic impact will depend on the duration, the intensity and the spread of the disease in Greece and across the world.

Based on existing conditions and converging estimates, economic activity has been significantly impacted, eroding initially any growth momentum, while the chances of a recession are increasing. The violent share price drop and existing uncertainty are expected to have a negative impact for the rest of the year, especially for new listings and capital increases (rights issues) as well as – likely also – to market turnover, which is in part supported by the increased volatility that uncertainty brings.

The prospects of the Athens Exchange Group (the Group) and the Company – under normal operating conditions - are also shaped by the regulatory changes that are taking place in Europe, and by the focus of the European Commission on the potential to finance Small and Medium Enterprises through capital markets as a consequence of the continuing deleveraging of the banking system and overall developments in the macroeconomic environment internationally.

In these unprecedented conditions, the Company strives to operate effectively in conditions of remote operation, continue to maintain the smooth functioning of its markets, continue to provide value added services, utilize its infrastructure by adding new products and services in order to effectively fulfil its role of transferring investment resources to the productive backbone of Greece.

The excellent organization of the Group, the reliable operation of the capital market even in extremely difficult conditions such as at present, the continuous investment in modern equipment and processes, the lack of debt obligations, the recognition of its reliability by internationally recognized rating agencies, as well as the liquidity that it possesses, guarantee its survival in the long term, with significant benefits for shareholders, employees and society at large.

TURNOVER - RISKS AND UNCERTAINTIES

The revenues of the Company and the Group are largely determined by factors that cannot be influenced, as they are connected with the developments in the Greek capital market, which in turn are affected by a number of factors, such as the main financial figures of listed companies, the fundamental macroeconomic elements of the Greek economy as well as the developments in international capital markets.

Apart from over-the-counter (OTC) transactions (off-exchange transfers) carried out on the markets of the Athens Exchange, major sources of revenue for the Company are the flat settlement fee and the trade notification instructions. The company also derives revenues from the InBroker service and the Co-location service.

In contrast to revenues, the amount of which cannot be controlled by the Companies of the Group, on the cost side concerted efforts are made for rationalization, with the aim to improve the financial results of the Company and the Group even in adverse market conditions.

The economic crisis afflicting the Greek economy during recent years has increased the risks for foreign and local investors resulting in a significant decrease in the volume of stock market transactions as well as in the number of corporate actions, which in turn leads to a reduction in the revenue of the Company. In recent months, the expectations that have been cultivated for the Greek economy in conjunction with the gradual increase in transactions on the exchange form a more optimistic picture for the future, which directly or indirectly will be affected by the ongoing pandemic.

The rapid spread of the coronavirus (COVID-19) disease, finds the world financial system and business to a large degree unprepared. The world economy is entering a period of uncertainty and instability, the consequences of which are difficult to estimate based on the facts thus far. The economic impact will depend on the duration, the intensity and the spread of the disease in Greece and across the world.

RISK MANAGEMENT

Financial risk factors The Company is exposed to a limited range of financial risks. The usual risks that the Company is theoretically exposed to are market risks (changes in exchange rates, interest rates and market prices), credit risk, liquidity risk, cash flow risk.

The overall risk management programme of the Company is implemented by the relevant departments of the Company and its basic elements are described in detail below:

Foreign exchange risk This risk does not affect materially the operations of the Company, given that the transactions with customers and suppliers in foreign currency are minimal.

Price risk The Company is not exposed to risk of change in the prices of securities.

Credit risk The turnover of the Company mainly consists of transactions in the cash market. On this basis, credit risk is estimated to be minimal.

Liquidity risk Liquidity risk is kept at low levels by maintaining adequate cash balances, and at the same time revenues from transactions are collected promptly.

Cash flow risk and risk of changes in fair value due to changes in interest rates The operating revenues and the cash flows of the Company are independent of changes in interest rates.

CORPORATE SOCIAL RESPONSIBILITY

Corporate responsibility is a key characteristic of all advanced societies and economies and concerns the ongoing effort for the improvement of the economic climate, the cultivation of an open dialogue with stakeholders, as well as the active involvement of companies in society.

Given that corporations are entities inextricably linked with the societies in which they operate, affecting and being affected by the conditions of the time and the area of their operation, they must recognize their responsibilities towards society and the environment. One of the axes through which the social responsibility of corporations is expressed, is Corporate Social Responsibility (CSR).

At the Company, we believe that Corporate Social Responsibility concerns us all. It is our responsibility for our impact on society and the environment. Our Group operates in a constantly changing global environment and is confronted every day with challenges concerning its effectiveness as well as its function as an integral part in social and economic developments. In this environment, the trend that now prevails worldwide is that corporations should be encouraged to undertake more Corporate Social Responsibility initiatives since their decisive role and contribution to social challenges is recognized.

For us at the Group, Corporate Social Responsibility is directly related to the concept of sustainable development, involves voluntary actions and is a strategic choice of ours. We have created and maintain an action plan that concerns the environment, people and education:

- We try to contribute in the alleviation of poverty by supporting the work of volunteer organizations that provide support to our fellow human beings.
- We continue our efforts for the protection of the environment through everyday recycling activities and by adopting new workplace methods intended to save energy.
- We promote and support a programme for offering information and education to schoolchildren, university students and members of the market aiming to develop the stock market culture.
- As an active member of the Greek Network for Corporate Social Responsibility we support its efforts which are aimed at boosting awareness of the Corporate Social Responsibility both in businesses and in the society in general, as well as at attaining a balance between profitability and sustainable development.
- The Company offers a work environment of equal opportunities to all staff, where all rights arising from the legislation are respected. Furthermore, the Company attends to all work issues of the employees and constantly invests in their professional training and development.

The Group has taken specific protective measures against the coronavirus (cancellation of both internal and external events, suspension of professional and personal travel, extensive use of remote work, testing staff, hygiene and care instructions), in accordance with the guidelines of the Greek Government and the World Health Organization (WHO). By utilizing our technological superiority and infrastructure, we have created a strong crisis response mechanism, which ensures both seamless business continuity and systems security (including cyber security and data protection systems in a remote work environment).

MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY

The members of the Board of Directors of the Company are listed in the following table:

HELLENIC CENTRAL SECURITIES DEPOSITORY S.A.	
George Handjinicolaou	Chairman, Non-Executive Member
Adamantini Lazari	Vice Chairwoman, Independent Non-Executive Member
Socrates Lazaridis	Chief Executive Officer, Executive Member
Theano Karpodini	Independent Non-Executive Member
Polyxeni Kazoli	Independent Non-Executive Member
Spyridoula Papagiannidou	Independent Non-Executive Member
Nikolaos Pimplis	Executive Member

BRANCH OFFICES

The Company operates a branch office in Thessaloniki, at 16-18 Katouni Street.

SIGNIFICANT EVENTS AFTER THE DATE OF THE STATEMENT OF FINANCIAL POSITION

The rapid spread of the coronavirus (COVID-19) disease, finds the world financial system and business to a large degree unprepared. The world economy is entering a period of uncertainty and instability, the consequences of which are difficult to estimate based on the facts so far. The economic impact will depend on the duration, the intensity and the spread of the disease in Greece and across the world.

At the same time, the critical period that we are facing and the financial impact of the pandemic have brought about major changes in our work routine.

Companies are now required to operate under complex and adverse conditions, while ensuring a safe and effective environment for both their staff as well as their clients and partners.

In this context, the Athens Exchange has implemented a series of preventive measures, supporting from the start the national initiative and following the recommendations of those responsible for taking specific measures to contain the spread of the virus.

Following confirmation of a case affecting a member of the Group's management, we took swift action to protect our staff, our partners and our customers. We carry out regular disinfections of the office building of the companies of the Group and immediately implemented work from home for up to 90% of our staff.

By utilizing our technological infrastructure, we have created a strong crisis response mechanism, which ensures both seamless business continuity and systems security (including cyber security and data protection systems in a remote work environment).

The Company continues to operate smoothly until the date of this report, as Management has taken the necessary measures to limit the extent of the financial impact of the COVID-19 pandemic to the extent that there is no material uncertainty regarding the continued operation of the Group in the short-term. Additional significant factors that contribute to this conclusion is the fact that the Group has a strong financial position, without external borrowing, and sufficient liquidity in order to meet the maturity of its liabilities. The strong capital adequacy of the Company is consistent with the appetite for risk taking to the extent that it enables the reliable, secure and seamless operation of the capital market. In addition, the Group may adjust its investment plan by considering delaying or even postponing investments depending on current developments.

However, there is a high degree of uncertainty in the long-term concerning the duration, the intensity and the extent of the disease. As a result, an estimation of the macroeconomic conditions at the global level and by extension of the financial consequences at the Company and Group level in the long-term cannot be reliably and reasonably determined at this stage.

No event with material impact on the results of the Company occurred or was concluded after 31.12.2019, the date of the annual financial statements for 2019, and until the approval of the financial statements for 2019 by the Board of Directors of the Company on 30.03.2020.

Athens, 30 March 2020

The Board of Directors

3. AUDIT REPORT BY THE INDEPENDENT CERTIFIED AUDITORS ACCOUNTANTS

Independent auditor's report

To the Shareholders of "Hellenic Central Securities Depository SA" (ATHEXCSD SA)

Report on the audit of the financial statements

Our opinion

We have audited the accompanying annual financial statements of ATHEXCSD SA (the "Company") which comprise the annual statement of financial position as of 31 December 2019, the annual statement of comprehensive income, annual statement of changes in equity and annual cash flow statement for the year then ended, and notes to the financial statements.

In our opinion, the accompanying annual financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2019, their 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 comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the annual financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the annual financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

PRICEWATERHOUSECOOPERS Auditing Company S.A., 268 Kifissias Avenue, GR-152 32 Halandri
Tel.: +30 210 6874400, Fax: +30 210 6874444, www.pwc.gr

260 Kifissias Avenue & Kodrou, GR-152 32 Halandri, T: +30 210 6874400, F: +30 210 6874444
17 Ethnikis Antistaseos Street, GR-551 34 Thessaloniki, T: +30 2310 488880, F: +30 2310 459487

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the annual financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the Board of Directors' Report for the year ended at 31 December 2019 is consistent with the annual financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150 and 153 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the Annual Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 the annual 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 annual 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 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 annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Report on other legal and regulatory requirements

With respect to the Board of Directors Report, the procedures we performed are described in the “Other Information” section of our report.

PricewaterhouseCoopers S.A.
268 Kifissias Avenue, 152 32 Athens
Reg. No. 113

Despina Marinou Reg N. 17681	Fotis Smyrnis Reg N. 52861

30 March, 2020

4. 2019 ANNUAL FINANCIAL STATEMENTS

For the fiscal year 1 January 2019 to 31 December 2019

In accordance with the International Financial Reporting Standards

4.1. ANNUAL STATEMENT OF COMPREHENSIVE INCOME

	Note	01.01 31.12.2019	01.01 31.12.2018
Revenue			
Settlement	5.6	10,731	6,350
Depository Services	5.7	2,460	2,446
IT Services	5.8	36	41
Ancillary services (XNET, LEI, INBROKER)	5.9	1,089	1,147
Revenue from re-invoiced expenses	5.10	216	124
Other Services	5.11	828	592
Total turnover		**15,360**	**10,700**
Hellenic Capital Market Commission Fee	5.12	(106)	(90)
Total revenue		**15,254**	**10,610**
Expenses			
Personnel remuneration and expenses	5.13	3,924	3,443
Third party fees and expenses	5.14	120	76
Utilities	5.15	632	614
Maintenance/IT support	5.16	387	337
Taxes	5.17	456	406
Building/equipment management	5.18	466	352
Other operating expenses	5.19	719	1,022
Total operating expenses before ancillary services, depreciation and amortization		**6,704**	**6,250**
Expenses for ancillary services (XNET, IT)	5.20	395	803
Re-invoiced expenses	5.21	248	214
Total operating expenses including ancillary services before depreciation and amortization		**7,347**	**7,267**
Earnings before interest, taxes, depreciation and amortization (EBITDA)		**7,907**	**3,343**
Depreciation and amortization	5.22	(1,989)	(1,656)
Earnings before interest and taxes (EBIT)		**5,918**	**1,687**
Capital income	5.26	191	249
Financial expenses	5.26	(3)	(3)
Earnings before tax (EBT)		**6,106**	**1,933**
Income tax	5.29	(1,955)	(162)
Earnings after tax (A)		**4,151**	**1,771**

Earnings after tax (A)		**4,151**	**1,771**
Profit(Loss) from property revaluation	5,22	0	2,599
Income tax included in other comprehensive income / (loss)		0	(650)
Actuarial Gains/(Losses) from employee compensation provision (note 5.13)		(88)	0
Income tax effect		21	
Net other comprehensive income (B)		**(67)**	**1,949**
Net other comprehensive income (A) + (B)		**4,084**	**3,720**

Any differences in amounts in the annual financial statements as well as in respective amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of these annual financial statements of 31.12.2019.

(Amounts in thousands of Euro, unless otherwise indicated) 22

4.2. ANNUAL STATEMENT OF FINANCIAL POSITION

	Note	31.12.2019	31.12.2018
ASSETS			
Non-current assets			
Tangible assets for own use	5.22	21,346	22,528
Intangible assets	5.22	2,009	1,936
Participations and other non-current assets	5.23	57	57
		23,412	**24,521**
Current assets			
Accounts receivable	5.24	1,258	998
Other accounts receivable	5.24	3,352	2,135
Cash and cash equivalents	5.25	26,056	22,221
		30,666	**25,354**
TOTAL ASSETS		**54,078**	**49,875**
EQUITY AND LIABILITIES			
Equity and reserves			
Share Capital	5.27	24,078	24,078
Reserves	5.27	11,575	11,487
Retained earnings	5.27	8,917	8,131
Total equity		**44,570**	**43,696**
Non-current liabilities			
Contractual obligation	5.25	275	0
Deferred tax	5.28	1,573	1,483
Employee compensation provision	5.30	611	525
Other provisions	5.30	40	41
		2,499	**2,049**
Current liabilities			
Accounts payable and other liabilities	5.31	1,994	1,670
Contractual obligation	5.25	250	0
Income tax payable	5.29	1,278	8
Taxes payable	5.32	3,328	2,297
Social security		159	155
		7,009	**4,130**
TOTAL LIABILITIES		**9,508**	**6,179**
TOTAL EQUITY & LIABILITIES		**54,078**	**49,875**

Any differences in amounts in the annual financial statements as well as in respective amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of these annual financial statements of 31.12.2019.

(Amounts in thousands of Euro, unless otherwise indicated) 23

4.3. ANNUAL STATEMENT OF CHANGES IN EQUITY

	Share Capital	Reserves	Retained earnings	Total Equity
Balance on 01.01.2018	**24,078**	**9,445**	**7,256**	**40,779**
Earnings for the fiscal year	0	0	1,771	1,771
Other comprehensive income after tax	0	0	0	0
Total comprehensive income for the period after tax	**0**	**0**	**1,771**	**1,771**
Dividend distribution	0	0	(803)	(803)
Creation of statutory reserve	0	93	(93)	0
Creation of a property revaluation reserve		1,949		1,949
Balance on 31.12.2018	**24,078**	**11,487**	**8,131**	**43,696**
Earnings for the fiscal year	0	0	4,151	4,151
Other comprehensive income for the period after tax	0	0	(67)	(67)
Total comprehensive income for the period after tax	**0**	**0**	**4,084**	**4,084**
Creation of statutory reserve	0	88	(88)	0
Dividend distribution (5.33)	0	0	(3,210)	(3,210)
Balance on 31.12.2019	**24,078**	**11,575**	**8,917**	**44,570**

Any differences in amounts in the annual financial statements as well as in respective amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of these annual financial statements of 31.12.2019.

(Amounts in thousands of Euro, unless otherwise indicated) 24

4.4. ANNUAL CASH FLOW STATEMENT

(In thousand €)	Note	01.01-31.12.2019	01.01-31.12.2018
Cash flows from operating activities			
Profit before tax		6,106	1,933
Plus/(minus) adjustments for:			
Depreciation and amortization	5,22	1,989	1,656
Provisions for employee compensation	5,30	(4)	(120)
Provisions for doubtful accounts		(21)	387
Interest income	5,26	(191)	(249)
Interest and related expenses		3	3
Plus/(minus) adjustments for changes in working capital accounts or relating to operating activities			
(Increase)/Decrease in receivables		(1,456)	1,736
Increase/(Decrease) in liabilities (except loans)		1,884	(1,161)
Total adjustments for changes in working capital accounts		**8,310**	**4,185**
Interest and related expenses paid		(3)	(3)
Income tax paid		(573)	(1,260)
Total inflows/outflows from operating activities (a)		**7,734**	**2,922**
Purchase of tangible and intangible assets	5,22	(880)	(1,252)
Interest received	5,26	191	249
Total inflows/(outflows) from investing activities (b)		**(689)**	**(1,003)**
Dividend payments	5,33	(3,210)	(803)
Total outflows from financing activities (c)		**(3,210)**	**(803)**
Net increase/(decrease) in cash and cash equivalents at the beginning of the period (a) + (b) + (c)		**3,835**	**1,115**
Cash and cash equivalents at the beginning of the period	**5,25**	**22,221**	**21,106**
Cash and cash equivalents at the end of the period	**5,25**	**26,056**	**22,221**

Any differences in amounts in the annual financial statements as well as in respective amounts in the notes are due to rounding.

The notes in chapter 5 form an integral part of these annual financial statements of 31.12.2019.

(Amounts in thousands of Euro, unless otherwise indicated) 25

5. NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR 2019

5.1. GENERAL INFORMATION ABOUT THE COMPANY

The Company "HELLENIC CENTRAL SECURITIES DEPOSITORY S.A." was established in 1995 and is registered in the General Electronic Commercial Registry (G.E.MI.) with number 057958104000. After the restructuring of the Athens Exchange Group, the company is registered in the Municipality of Athens and its offices are located at 110 Athinon Avenue.

The annual financial statements of the Company for fiscal year 2019 have been approved by the Board of Directors at the meeting of 30.03.2020. The financial statements of the Company are included in the Consolidated Financial Statements prepared by the Athens Exchange Group and have been posted on the Internet at www.athexgroup.gr.

Dematerialized Securities System Administrator

After the restructuring of services of the HELEX Group, the Company acquired the status of the Central Securities Depository, which provides Settlement and Registry services, and the status of the Manager of the Dematerialized Securities System in accordance with the applicable provisions of the law and decision No. 667/09.12.2013 of the Board of Directors of the Hellenic Capital Market Commission (Government Gazette 3307/B/24.12.2013).

5.2. BASIS OF PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and their interpretations as issued by the International Financial Reporting Interpretations Committee (IFRIC) of IASB and adopted by the European Union and are mandatory for fiscal years that end on 31 December 2019. There are no standards and interpretations of standards that have been applied before the date they go into effect.

The attached financial statements have been drafted on the basis of historical cost as modified by the revaluation of specific assets, equity and liabilities to fair values (commercial securities portfolio, assets available for sale) and the principle of “going concern”.

The excellent organization of the Company and the Athens Exchange Group, the unimpaired operation of the stock market, the continuous investments in modern equipment and procedures, the absence of debt liabilities, the acknowledgement of its reliability by internationally recognized rating agencies, as well as the liquidity that it possesses, are the guarantee for lasting survival with significant benefits for shareholders.

The preparation of financial statements in accordance with the International Financial Reporting Standards requires that the Management of the Group make important assumptions and accounting estimates that affect the balances of the Asset and Liability accounts, the disclosure of contingent claims and liabilities on the preparation date of the Financial Statements, as well as the revenues and expenses presented in the fiscal year in question. Despite the fact that these estimates are based on the best possible knowledge of the management of the Company as regards the current conditions, actual results may differ from these estimates in the end.

Estimates and judgements are continuously evaluated and are based on empirical data and other factors, including the expectations for future events that are considered probable under reasonable conditions. The Management of the Company considers that there are no estimates and assumptions involving a significant risk of causing material adjustments in the book values of the assets and liabilities.

Going concern

Management examines the main financial data and, on occasion, the fulfilment of medium term budgets, together with the existing loan conditions, if available, in order to arrive at the conclusion that the assumption of going concern is appropriate for use in preparing the annual financial statements of the Group and the Company.

The positive evaluation of the program by the institutions and the full lifting of capital controls is helping to gradually restore a healthy economic climate and environment in Greece. The Companies of the Group are well placed in the local and international capital market and well organized in order to successfully overcome any difficulties they face.

The companies of the Group are ready to implement their contingency plans, including the implementation of business continuity measures, in order to ensure operational continuity in accordance with existing legislation.

The rapid spread of the coronavirus (COVID-19) disease, finds the world financial system and business to a large degree unprepared. The world economy is entering a period of uncertainty and instability, the consequences of which are difficult to estimate based on the facts so far. The financial consequences will depend on the duration, the intensity and the spread of the disease in Greece and across the world.

The Greek and the European economy have gone into recession. The violent share price drop and the uncertainty that prevails are expected to negatively affect the rest of the year, especially new listings and capital raises (rights issues) as well as – to a lesser degree –market turnover, which is in part supported by the increased volatility that uncertainty brings.

The Company has taken specific protection measures against the coronavirus (cancellation of both internal and external events, suspension of professional and personal travel, extensive remote work, virus check for staff, hygiene instructions and care), in accordance with the guidelines of the Greek government and the World Health Organization (WHO). By utilizing our technological superiority and infrastructure, we have created a strong crisis response mechanism, which ensures both seamless business continuity and systems security (including cyber security and data protection systems in a remote work environment).

The safety and well-being of our staff, our customers and of exchange community is the primary objective of the Athens Exchange Group, and is at the heart of our daily operation. Based on our experience in crisis and risk management, we have implemented various preventive measures that ensure not only the maximum possible protection for all stakeholders, but also continuous operation and long-term sustainability.

5.3. BASIC ACCOUNTING PRINCIPLES

The basic accounting principles adopted by the Company for the preparation of the attached financial statements are as follows.

5.3.1. Conversion of foreign currencies

Functional and presentation currency

The data in the Financial Statements of the Company are measured in the currency of the economic environment in which each company functions (functional currency). The Financial Statements are presented in euro, the functional currency of the Parent Company.

Transactions and balances

Transactions in foreign currency are converted to the functional currency using the exchange rates in effect on the date of the transactions. Profits and losses that arise from the settlement of transactions in foreign currency, as well as from the valuation, at the end of the fiscal year, of the currency assets and liabilities that are expressed in foreign currency, are booked in the Statement of Comprehensive Income. Foreign exchange differences from non-currency assets that are valued at fair value are considered part of the fair value and are therefore booked just like differences in fair value.

5.3.2. Tangible assets

Tangible owner-occupied assets

Real estate (plots of land – buildings) belonging to fixed assets are recorded at their adjusted values, during the first application of IFRS, and subsequently at fair value which is based on estimated made by independent estimators, less future building depreciation. Estimations are made regularly in order for the fair value of the adjusted asset not to differ significantly from its accounting value.

Other tangible owner-occupied assets used are recorded in the financial statements at acquisition cost minus accumulated depreciation and any value impairment provisions. The acquisition cost includes all the direct expenses for the acquisition of the assets.

Later expenses are recognized as an increase in the book value of the tangible fixed assets or as a separate asset only if it is probable that future financial benefits will flow to the Group, and the cost can be reliably measured.

The cost of repairs and maintenance is recognized in the Statement of Comprehensive Income when incurred.

Depreciation of other tangible assets (except plots of land which are not depreciated) is calculated using the straight line method during their useful life.

	Useful life after 1.1.2014
Buildings and construction	25 years ή 4%
Machinery	5 years ή 20%
Means of transportation	6.25 years ή 16%
Other equipment	5-10 years ή 20-10%

The useful life of tangible assets and their salvage values are revised annually. When the book value of the fixed assets exceeds their recoverable value, the difference (impairment) is recognized as an expense in the Statement of Comprehensive Income.

When tangible assets are retired or sold, the associated cost and the accumulated depreciation are eliminated from the relevant accounts at the time the asset is retired or sold, and the associated profits or losses are recognized in the Statement of Comprehensive Income.

5.3.3. Intangible assets

Intangible assets include software licenses valued at the acquisition cost minus amortization. Amortization is calculated using the straight line method during the useful life of these assets, which is budgeted to 5 years. It is noted that the amortization rates for intangible assets / rights is 10%, except for development expenses that are capitalized and amortized – starting on 1.1.2018 – over 5 years.

5.3.4. Impairment of non-financial assets

The Company examines at each date of the financial statements whether there are impairment indications for non-financial assets. The book values of assets are revised for any impairment, whenever events or changed circumstances indicate that the book value may not be recoverable. When the book value of an asset exceeds its recoverable value, an impairment loss is recognized in the Statement of Comprehensive Income. The recoverable amount is calculated as the greater of the fair value less sale expenses and the value-in-use.

Fair value less sale expenses is the amount that results from the sale of an asset in an independent transaction between informed and willing parties, after subtracting all additional direct sale expenses, while the value-in-use is the present value of the estimated future cash flows that are expected to occur from the continuous use of the asset and its disposal at the end of its useful life. In order to evaluate the impairment, the assets are grouped at the lowest level for which there are discrete recognizable cash flows.

(Amounts in thousands of Euro, unless otherwise indicated) 29

5.3.5. Financial instruments

A financial instrument is any contract that simultaneously creates a financial asset for one financial entity and a financial liability or participatory title for another financial entity.

Initial recognition and subsequent measurement of financial assets

Starting on 1 January 2018, financial assets are classified, when initially recognized, and subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through results. The classification of financial assets when initially recognized is based on the contractual cash flows of the financial assets and the business model within which the financial asset is kept.

Excluding client claims, the Group initially values a financial asset at fair value plus the transaction costs, in case of a financial asset that is not valued at fair value through results. Client claims are initially valued at transaction cost as specified by IFRS 15.

In order to classify and value a financial asset at amortized cost or at fair value through other comprehensive income, cash flows that constitute “exclusively principal and interest payments” on the outstanding balance of capital. This assessment is known as SPPI ("Solely Payments of Principal and Interest") criterion and is made at the level of the individual financial instrument.

Following initial recognition, financial assets are classified in three categories

- At amortized cost
- At fair value through other comprehensive income
- At fair value through results

The Company does not possess assets that are value at fair value through results on 31 December 2019.

Financial assets at amortized cost

Financial assets recorded at amortized cost are later valued based on the Effective Interest Rate (EIR) method and are subject to an impairment test of their value. Profits and losses are recognized in the results when the asset ceases to be recognized, modified or impaired.

Financial assets classified at fair value through comprehensive income

At initial recognition, the Company can choose to irrevocably classify participatory investments as participatory titles at fair value through comprehensive income when they fulfil the definition of equity position in accordance with IAS 32 Financial instruments: Presentation, and are not held for trading. Classification takes place for each financial instrument individually.

Profits and losses from these financial assets are never recycled in profits or losses. Dividends are recognized as other revenue in the profit and loss statement when the right to payment has been established, unless the Company benefits from that revenue to recuperate part of the cost of the financial asset, in which case this profit is recognized in the statement of comprehensive income. Equity instruments identified at fair value through comprehensive income are not subject to an impairment test.

The Company does not possess financial assets in this category.

Impairment of financial assets

The Company evaluates at each reporting date information concerning whether the value of a financial asset or a group of financial assets has been impaired as follows:

For client claims and contractual assets, the Company applies the simplified approach to calculate expected credit losses. Therefore, at each reporting date, the Company measures the loss provision for a financial asset in an amount equal to the expected credit losses for the duration, without monitoring changes in credit risk.

Derecognition of financial assets

A financial asset (or part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to the inflow of cash resources have expired
- The Company retains the right to the inflow of cash flows from the financial asset, but has also assumed the obligation to pay them to third parties in full, without substantial delay, in the form of a transfer agreement, or
- The Company has transferred the right to the inflow of cash flows from the asset and at the same time has either (a) essentially transferred all risks and benefits from it, or (b) has not essentially transferred all risks and benefits, but has transferred control of the asset.

When the Company transfers the cash inflow rights from an asset or concludes a transfer contract, it assesses the extent to which it maintains the risks and benefits of ownership of the asset. When the Company neither transfers nor substantially maintains all risks and benefits of the asset being transferred and maintains control of the asset, then the asset is recognized to the extent that there is continuous participation of the Company in that asset. In that case, the Company also recognizes an associated obligation. The transferred asset and the associated liability are measured on a basis that reflects the rights and commitments that the Company has maintained.

Initial recognition and subsequent measurement of financial obligations

All financial liabilities are initially valued at fair value less transaction costs in case of loans and payables.

Derecognition of financial obligations

A financial obligation is deleted when the commitment resulting from the obligation is cancelled or expires. When an existing financial obligation is replaced by another one by the same creditor but with substantially different conditions, or the conditions of an existing obligation are substantially altered, this exchange or amendment is treated as a derecognition of the original obligation and a recognition of a new obligation. The difference in the corresponding book values is recognized in the income statement.

Offsetting financial claims and obligations

Financial claims and liabilities are offset and the net amount is shown in the statement of financial position only when the Group or the Company has a legal right to do so and intends to offset them on a net basis between them or claim the asset and settle the obligation at the same time. The legal right must not depend on future events and must be enforceable in the normal course of the work even in the event of default, insolvency or bankruptcy of the company or counterparty.

5.3.6. Other long term claims

Other long term claims may include rent guarantees, guarantees to utilities (OTE, PPC etc.) and other long term duration amounts. Other long term claims are valued at book value using the real interest rate method.

5.3.7. Clients and other trade receivables

Client receivables are initially recognized at fair value, and subsequently valued at amortized cost using the real interest rate, less any impairment losses. On each financial reporting date, all past due or doubtful debts are evaluated in order to determine whether or not a provision for doubtful debts is required. The balance of the particular provision for doubtful debts is appropriately adjusted on each closing date of the financial statements in order to reflect the possible risks. Each client balance write-off is charged to the existing provision for doubtful claims. It is the policy of the Company and the Group almost never to write-off any such claims until all possible legal recourse for their collection has been exhausted. Commercial and other short term client claims and debtors are usually settled within 60 days, while if they become past due, no late payment fees are charged to clients.

5.3.8. Cash and cash equivalents

Cash and cash equivalents include cash at hand, sight deposits and short term (up to 3 months) investments, having high liquidity and low risk.

For the purposes of preparing the Statement of Cash Flows, cash assets consist of cash and bank deposits, as well as cash equivalents as described above.

5.3.9. Share Capital

Share capital includes the common stock of the Company that has been issued and is in circulation.

5.3.10. Current and deferred income tax

Current and deferred tax is calculated based on the Financial Statements in accordance with the tax laws in effect in Greece. Income tax is calculated based on the profits of each company as adjusted in their tax declarations, any additional income tax that is assessed by the tax audits of the tax authorities, and from deferred income tax based on the enacted tax rates.

Deferred income tax is determined using the liability method and arises from the temporary differences between the book value and the tax basis of the assets and liabilities.

Deferred tax is not recognized when it during the initial recognition of an asset or a liability from a transaction that is not a business combination and at the time of the transaction it affects neither the accounting nor the taxable result (profit / loss).

Deferred tax is determined using the tax rates (and tax laws) that have been implemented or effectively implemented until the date of the Financial Statements and are expected to be implemented when the asset in question is recovered or the liability settled.

Deferred tax claims are recognized to the extent that there will be a future tax gain for the offset of the temporary difference that creates the deferred tax claim.

Deferred income tax is determined on the temporary differences that arise from investments in subsidiaries and associated companies, with the exception of the case when reversal of the temporary differences is controlled by the Group and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax claims and liabilities are offset when there is a legally enforceable right to offset current tax claims and liabilities, and when the deferred tax claims and liabilities concern income tax that is imposed by the same tax authority either to the same taxable entity or to different taxable entities when there is the intention to settle the balances on a net basis.

5.3.11. Employee benefits

Current benefits

Current benefits to employees in cash and in kind are recognized as an expense when they accrue.

Staff retirement obligations

Staff retirement obligations include both defined contributions plans as well as defined benefits plans.

Defined contribution plan

Under the defined contributions plan, the obligation of the company (legal) is limited to the amount agreed to be contributed to the organization (social security fund) which manages the contributions and grants the benefits (pensions, health care etc.).

The accrued cost of the defined contributions schemes is recognized as an expense in the corresponding period.

Defined benefits plan

The defined benefits plan of the Company concerns its legal obligation to pay a lump sum indemnity to each employee upon retirement.

The liability recognized in the Statement of Financial Position for this plan is the present value of the obligation for the defined benefit depending on the accrued right of the employees and in relation to the specific point of time that this benefit is expected to be paid.

The present value of the defined benefit liability is calculated by discounting the future cash outflows with a discount rate equal to the interest rate of long-term, high credit rating corporate bonds that have a duration approximately equal to the pension plan.

The actuarial profits or losses that arise from the adjustments based on historical data are directly recognized in Other Comprehensive Income (note 5.30).

5.3.12. Government grants

Government grants related to the subsidy of tangible assets are recognized when there is reasonable assurance that the grant will be collected and that the Company will comply with the terms and conditions that have been set for payment. When government grants are related to an asset, the fair value is credited in long term liabilities as deferred revenue and transferred to the Statement of Comprehensive Income in equal annual instalments based on the expected useful life of the relevant asset that was subsidized. When the grant is related to an expense, it is recognized as revenue in the fiscal year required in order for the grant to correspond on a systematic basis to the expenses it is intended to compensate.

5.3.13. Provisions and contingent liabilities

Provisions are recognized when:

- the Company has a current commitment (legal or inferred) as a result of a past event;
- it is likely that an outflow of resources incorporating financial benefits will be required to settle the commitment and it is possible to reliably estimate the amount of the commitment.

Provisions are re-examined on the preparation date of the financial statements and are adjusted so as to reflect the best possible estimates, and, whenever deemed necessary, they are adjusted based on a pre-tax discount rate.

Contingent liabilities are not recognized in the financial statements, but are published, unless the possibility of an outflow of resources which incorporate financial benefits is minimal. Contingent claims are not recognized in the financial statements, but are published provided the inflow of financial benefit is likely.

5.3.14. Revenue recognition

Revenue includes the fair value of the transactions, net of any taxes recovered, rebates and returns. Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Company and the relevant amounts can be reliably measured.

The Company recognizes revenue, excluding interest income, dividends and any other source derived from financial instruments (which are recognized based on IFRS 9), to the extent that they reflect the consideration which the Company is entitled to from the transfer of the goods and services on the basis of a five-step approach:

1. Recognition of client contracts
2. Recognition of the terms of the contracts
3. Determination of the price of the transaction
4. Allocation of the price of the transaction according to the terms of the contracts
5. Revenue recognition when the Company fulfils the terms of the contracts

Customers are invoiced on the basis of the agreed payment schedule and the price is paid when invoiced. Where the timing of the invoicing differs from the time of fulfilment of the performance obligation, the Group recognises contractual assets and contractual obligations. (See paragraph 5.38).

The following specific recognition criteria must also be satisfied when revenue is recognized:

Revenue from shares, bonds, ETFs (Trading, Clearing & Settlement)

Revenue from stock, bond etc. trading is recognized at the time the transaction is concluded and clearing and settlement take place at the Exchange.

Revenue from derivative products

Revenue from the derivatives market is recognized at the time the transaction is cleared at Athens Exchange through ATHEXClear, the transactions clearing entity.

Revenue from Members (fees)

Revenue is recognized when the Members are invoiced at the end of each month both for securities and derivatives.

Collection of transactions in the cash market takes place on the day following settlement, or the third working day of the following month, provided the Member submits such a request. In the derivatives market, collection takes place on the day following settlement.

Revenue from listed companies

Revenue concerns subscriptions, one-off fees, company listings, rights issues and is recognized at the time the relevant invoices are issued, when the corporate action is completed.

Revenue from market data vendors

Revenue from this source is recognized based on the time the service provided is completed.

Technical support services

Revenue from technical support services is recognized at the time the service provided is completed.

Other services

Revenue from other services is recognized at the time the service provided is completed.

Interest income

Interest income is recognized on an accrual basis and with the use of the real interest rate. When there is an impairment indication about claims, their book value is reduced to their recoverable amount, which is the present value of the expected future cash flows, discounted by the initial real interest rate. Next, interest is assessed at the same interest rate on the impaired (new book) value.

5.3.15. Commercial and other liabilities

Supplier balances and other liabilities are recognized at the cost associated with the fair value of the future payment for the purchase of services rendered. Commercial and other short term liabilities are not interest bearing and are usually settled within 60 days by the Group and the Company.

5.3.16. Expenses

Expenses are recognized in the Statement of Comprehensive Income on an accrued basis.

5.3.17. Profits / (losses) per share

Basic profits / (losses) per share are calculated by dividing the net profits / (losses) that correspond to the shareholders of the parent company by the average weighted number of shares that are in circulation during each year, excluding the average of the common stock that was acquired by the Group as treasury stock.

The diluted profits / (losses) per share are calculated by dividing the net profit that is distributed to Parent company shareholders (after it is adjusted for the effects of all potential shares that dilute participation) by the weighted average number of shares in circulation during the year (adjusted for the effect of all potential shares that dilute participation).

Dividend distribution

The distribution of dividends to shareholders is recognized directly to equity, net of any relevant income tax benefit (until the approval of the financial statements), and is recorded as a liability in the financial statements when the distribution is approved by the General Meeting of shareholders.

5.3.18. Research and development

Expenditures for research activities that take place with the intention of the Company to acquire new technical knowledge and expertise are recognized in the Statement of Comprehensive Income as an expense when they occur. Development activities presuppose the drafting of a study or a plan for the production of new or significantly improved products, services and processes. Development costs are capitalized only when the cost of development can be reliably measured, the product or the process is productive, feasible technically and commercially, future financial benefits are expected, and the Group has the intention, having at the same time sufficient means at its disposal, to complete the development and use or sell the asset.

The capitalization of expenditures includes the cost of direct consulting service expenses, direct work performed and the appropriate share of general expenses. Other development costs are recognized in the Statement of Comprehensive Income as an expense when they occur.

Development costs that have been capitalized are valued at the acquisition cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditures are capitalized only when they increase the expected future economic benefits that are incorporated in the specific asset to which they refer. All other expenses, including expenditures for internally created surplus value and trademarks, are recognized in the Statement of Comprehensive Income. Depreciation is recognized in the Statement of Comprehensive Income using the straight line method for the duration of the useful life of the intangible assets, starting on the date they are available for use. The useful life for the current and the comparative period in the capitalization of development costs is 5 years starting on 1.1.2018.

The profit or loss that arises from writing-off an intangible asset is determined as the difference between the net disposal proceeds, if they exist, and the book value of the asset. This profit or loss is recognized in the Statement of Comprehensive Income when the asset is written-off.

5.3.19. Treasury stock

These are the Athens Exchange (EXAE) shares bought through the Exchange by the Company or other Company of the Group after a decision of the Annual General Meeting of shareholders. The acquisition value as well as the expenses for the purchase of treasury stock are recognized according to IFRS in equity as reducing share capital.

5.3.20. Leases

The determination of whether an arrangement contains a lease or not is based on the substance of the transaction on the date the relevant contract is concluded, namely on whether fulfilment of the arrangement depends on the use of one or more assets or whether the arrangement assigns the right to use the asset. Starting on 1.1.2019 the new IFRS 16 “Leases” is applied.

The Group as lessor:

Asset leases to third parties where the Group does not transfer all risks and asset ownership benefits are treated as operating, and the lease payments are recognized as revenue in the income statement on a consistent basis during the lease.

Initial direct costs incurred by lessors during the negotiation of an operating lease are added to the book value of the leased asset and are recognized over the lease duration on the same basis as the lease revenue.

5.3.21. Significant estimates and judgement

The sectors that require a higher degree of judgment and where the assumptions and estimations are significant for the Financial Statements are noted below:

Income tax

Judgment is required by the Company in determining the income tax provision. There are many transactions and calculations for which the final determination of tax is uncertain. If the final tax is different than the amount initially recognized, the difference will affect the income tax in the fiscal year the determination of the tax differences takes place (note 5.28).

Provisions for commercial and other claims

Management applies the simplified approach of IFRS 9 to estimate expected credit losses, in accordance with which, an impairment loss provision is estimated based on expected credit losses for the duration of the client claims.

The Company has formed a provision for doubtful claims in order to adequately cover the loss that may be reliably measured and arises from these claims (note 5.24).

Useful lives of tangible and intangible assets - Valuation

Management makes certain estimates concerning the useful life of depreciable assets. These remaining useful lives are periodically re-examined in order to estimate whether they continue to be appropriate. In addition, management evaluates market conditions in the real estate market and makes estimates regarding their valuation (note 5.22).

Defined benefits plans

The cost of the benefits for defined benefits plans is calculated using actuarial estimates, which in turn use assumptions about the discount rates, the rate of salary increases, and mortality rates. Due to the long term nature of these plans, these assumptions are subject to significant uncertainty.

Deferred tax claims

Deferred tax claims are recognized due to unused tax losses to the extent that it is probable that taxable profits will be available in the future to be used against these losses. Important estimates by management are required in order to ascertain the size of the deferred tax claim that may be recognized, based on the possible time and size of future taxable profits in conjunction with the tax planning of the entity (note 5.28).

Contingent liabilities

The existence of contingent liabilities requires that management constantly make assumptions and value judgments regarding the possibility that future events may or may not occur, as well as the effect that these events could have on the activity of the Group (note 5.36).

Revenue from new listings and changes in share capital

In the context of IFRS 15, revenue from new listings at ATHEX as well as other corporate actions, is recognized based on estimates, which are based on an analysis of historical data concerning the time companies remain listed on ATHEX. This estimate has a degree of uncertainty as to the accuracy of calculating the length of time companies remain listed at ATHEX and depends on factors which are not under the control of the Company. Management re-estimates the expected length of time companies remain listed at ATHEX on each reporting date, in order to reflect the best estimate.

5.3.22. New standards, amended standards and interpretations

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1 January 2019. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 16 *"Leases"*

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. This standard has no effect on the Company as it has its headquarters in an owner-occupied building and does not lease automobiles.

IFRS 9 (Amendments) *"Prepayment Features with Negative Compensation"*

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met instead of at fair value through profit or loss.

IAS 28 (Amendments) *"Long term interests in associates and joint ventures"*

The amendments clarify that companies account for long-term interests in an associate or joint venture, to which the equity method is not applied, using IFRS 9.

IFRIC 23 *"Uncertainty over income tax treatments"*

The interpretation explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

IAS 19 (Amendments) *"Plan amendment, curtailment or settlement"*

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur.

Annual Improvements to IFRS (2015 – 2017 Cycle)

The amendments set out below include changes to one IFRS.

- **IAS 12 "Income taxes"**
  The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

Standards and Interpretations effective for subsequent periods

IAS 1 and IAS 8 (Amendments) "Definition of material" (effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS.

IFRS 9, IAS 39 and IFRS 7 (Amendments) 'Interest rate benchmark reform' (effective for annual periods beginning on or after 1 January 2020)

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

IAS 1 (Amendment) 'Classification of liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

5.4. RISK MANAGEMENT

Risk Management Environment

The Company is exposed to a limited range of financial risks. The usual risks which the Company is theoretically exposed to are market risks (fluctuations in exchange rates, interest rates and market prices), credit risk, liquidity risk, cash flow risk.

Risk management is performed by the relevant departments of the Company and the Group.

The excellent organization of the Company, the reliable operation of the stock market, the continuous investment in modern equipment and processes, the absence of debt liabilities, the acknowledgement of its reliability by internationally recognized rating agencies, as well as the liquidity that it possesses, are the guarantee for long-term survival with significant benefits for shareholders.

Risk management at the Company is expected to drastically change as a result of the adoption of the CDSR Directive and the receipt of the relevant license from the regulatory entity in the next few months. A Risk Management Committee has already been set up, which is improving the risk management framework.

Risk Strategy and Risk Management

The risk strategy of the Company is aligned with its business strategy to provide the appropriate infrastructure for the reliable, safe and unhindered operation of the stock market. In accordance with the strategy of the Athens Exchange Group, the risk tolerance level is defined so as to satisfy the needs of the market, reduce the cost for participants, maximize benefits from business opportunities but also ensure the safety of the market and compliance with regulatory requirements.

5.5. CAPITAL MANAGEMENT

The primary aim of the capital management of the Company is to maintain its high credit rating and sound capital ratios, in order to support and expand the activities of the Athens Exchange Group and maximize shareholder value.

There were no changes in the approach adopted by the Company concerning capital management during the current fiscal year.

5.6. SETTLEMENT

	31.12.2019	31.12.2018
Off-exchange transfers OTC	4,898	1,373
Exchange transfers	5	5
Trade notification instructions	700	574
Flat order settlement fees	5,128	4,398
Total	**10,731**	**6,350**

Revenue in this category amounted to €10.73 million in 2019 compared to €6.35 million in 2018, posting a 69% increase and includes revenue from the trade settlement services provided to ATHEXClear, as flat settlement fee amounting to €5,128 thousand, revenue from settlement notification instructions amounting to €700 thousand, as well as revenue from over-the-counter (OTC) transfers amounting to €4,898 thousand. OTC transfers includes €2.7 million from the delisting of TITAN from the exchange, as well as the public offers by Sazka Group for OPAP - €371 thousand and by OCM Health Care for IASO - €253 thousand.

According to a decision of the Board of Directors of ATHEXCSD, the flat annual settlement fee changes as of 01.01.2017 and is calculated at 60% of the revenues resulting in the clearing house from the clearing of transactions, with a minimum amount of €3.0 million and a maximum amount of €15.0 million per annum.

5.7. DEPOSITORY SERVICES

This category includes revenue from rights issues by listed companies, quarterly operator subscriptions as well as revenue from inheritances etc. This revenue in 2019 amounted to €2.46 million, compared to €2.45 million in 2018, posting a 1% increase.

	31.12.2019	31.12.2018
Issuers (rights issues - AXIA LINE) (1)	786	870
Greek State Bonds - Securities	4	82
Investors	129	107
Flat listing fees (3)	41	19
Operators (2)	1,500	1,368
Total	**2,460**	**2,446**

1. Fees on corporate actions by issuers (includes rights issues by listed companies) amounted to €670 thousand in 2019 (LAMDA DEVELOPMENT - €180 thousand; EUROBANK - €180 thousand; OPAP - €70 thousand; BRIQ PROPERTIES - €45 thousand) vs. €419 thousand (ELVALHALCOR - €73 thousand; ATTICA BANK - €65 thousand; ATTICA HOLDINGS - €41 thousand; TERNA ENERGY - €40 thousand), i.e. increased

(Amounts in thousands of Euro, unless otherwise indicated) 39

by 59.9%, as well as €30 thousand from the listing of corporate bonds in 2019 (AEGEAN - €10 thousand; ATTICA HOLDINGS - €10 thousand; TERNA ENERGY - €10 thousand) compared to €26 thousand in 2018 (CORAL - €10 thousand; GEK-TERNA - €10 thousand; B&F - €6 thousand). Revenue from the provision of information to listed companies through electronic means was €223 thousand in 2019 vs. €204 thousand in 2018. Revenue from notifications of beneficiaries for cash distributions was €97 thousand compared to €98 thousand in 2018. This category also includes revenue from Electronic Book Building - €144 thousand in 2019 compared to €72 thousand in 2018. See also note 5.25, CONTRACTUAL OBLIGATIONS.

2. Revenue from operators include revenues from monthly subscriptions amounting to €1,156 thousand compared to €1,028 thousand in 2018, calculated on the value of the portfolio of the operators, revenue from usage authorization number amounting to €146 thousand compared to €135 thousand, revenue from opening investor account of €72 thousand compared to €66 thousand in 2018 and other operator revenues.

3. Revenue from ATHEX listing fees amounted to €122 thousand and concerns the listing of TITAN CEMENT INTERNATIONAL SA at ATHEX. In 2018 the corresponding amount was €19 thousand and concerned the listing of CNL CAPITAL. See also note 5.25, CONTRACTUAL OBLIGATIONS.

5.8. IT SERVICES

Revenues in this category, which concern DSS terminal licenses, amounted to €36 thousand in 2019 recording a 12.2% decrease compared to 2018.

	31.12.2019	31.12.2018
DSS terminal licenses	36	41
Total	**36**	**41**

5.9. ANCILLARY SERVICES

Revenue from ancillary services dropped by 5.6% and is broken down in the following table.

	31.12.2019	31.12.2018
Revenue from Xnet	196	114
Revenue from InBroker service (see table below)	449	455
Co-location services (1)	0	29
CSE Common Platform	106	132
EMIR TR/LEI Service (2)	170	250
Market suite	108	117
Consulting – development services	60	50
Total	**1,089**	**1,147**

(1) Co-location services include provision of space, network and database services and amounted to €29 thousand in 2018; there is no corresponding revenue in 2019 as the service is being offered by ATHEX.

(2) When reporting transactions, liable parties are identified based on their Legal Entity Identifier (LEI) code, a unique code for each legal entity issued in accordance with ISO17442 and supervised by the Regulatory Oversight Committee for the Global Entity Identifier System (LEIROC) that has been appointed by the Financial Stability Board.

(Amounts in thousands of Euro, unless otherwise indicated) 40

The revenue from the InBroker service is broken down in the following table:

	31.12.2019	31.12.2018
InBroker technological infrastructure	125	125
InBroker terminals	195	194
InBroker technical solution	103	97
InBroker Xnet	26	39
Total	**449**	**455**

5.10. REVENUE FROM RE-INVOICED EXPENSES

The amount of expenses re-invoiced to customers in 2019 came to €216 thousand compared to €124 in 2018 and concern the cost of electricity for the co-location service.

5.11. OTHER SERVICES

Revenue from other services is broken down in the following table:

	31.12.2019	31.12.2018
Training	1	1
Rents (1)	352	321
Provision of support services to Companies (2)	444	257
Other	31	12
Total	**828**	**591**

1. Rental income from the ATHEX Group amounted to €195 thousand; from the HenEx Group - €87 thousand; and from third parties - €70 thousand.
2. Revenue from services provided to the Companies of the ATHEX Group amounted to €184 thousand and to the HenEx Group amounted to €260 thousand.

5.12. HELLENIC CAPITAL MARKET COMMISSION FEE

The operating results of 2019 do not include the Hellenic Capital Market Commission fee, which amounted to €106 thousand compared to €90 thousand in 2018. This fee is received on behalf of the Hellenic Capital Market Commission and paid to the same within two months of the end of each six-month period.

5.13. PERSONNEL REMUNERATION AND EXPENSES

Personnel remuneration and expenses in 2019 amounted to €3.92 million compared to €3.44 million in 2018, recording an increase of 14.0%.

In accordance with the new accounting principle applied as of 01.01.2013, expenses (CAPEX creation) concerning systems development of the Company are capitalized. The amount capitalized in 2019 runs to €318 thousand compared to €349 thousand in 2018.

(Amounts in thousands of Euro, unless otherwise indicated) 41

The change in the number of employees of the Company, as well as the breakdown of personnel remuneration, is shown below:

EMPLOYEES	31.12.2019	31.12.2018
Salaried employees	86	88
Total Personnel	**86**	**88**

PERSONNEL REMUNERATION AND EXPENSES	31.12.2019	31.12.2018
Personnel remuneration	2,500	2,258
Bonus to employees	303	8
Employer contributions	623	566
Severance payments to employees	153	279
Net change in the employee compensation provision (actuarial valuation)	(4)	(22)
Other benefits (insurance premiums etc.)	349	354
Total	**3,924**	**3,443**

The cost of the net change in the employee compensation provision based on the actuarial valuation results from the sum of the total expense recognized in the profit and loss account less the amount paid by the Company during the fiscal year (see table with presentation in accordance with IAS 19 below).

5.14. THIRD PARTY FEES AND EXPENSES

Third party fees and expenses of the Company are broken down below:

	31.12.2019	31.12.2018
Remuneration of BoD members	23	0
Fees to auditors	27	25
Fees to consultants	39	26
Other fees	31	25
Total	**120**	**76**

5.15. UTILITIES

	31.12.2019	31.12.2018
Fixed telephony - Mobile telephony - Internet	88	102
Leased lines - ATHEXNet	64	66
Power (electricity) supply (PPC)	475	441
Water supply and sewerage (EYDAP)	5	5
Total	**632**	**614**

This category includes expenses for electricity, water, fixed and mobile telephony and telecommunications networks, which in total amounted to €632 thousand in fiscal year 2019.

(Amounts in thousands of Euro, unless otherwise indicated) 42

5.16. MAINTENANCE/IT SUPPORT

The account for maintenance and IT support includes the maintenance of the technical equipment of the Company, as well the technical support of IT systems. In 2019 this expense came to the amount of €387 thousand compared to €337 thousand in fiscal year 2018. The increase in 2019 is due to the maintenance of new equipment of significant value that was acquired recently.

5.17. TAXES

The taxes, mainly VAT, charged on the cost of services came to €456 thousand in fiscal year 2019, increased compared to €406 thousand in 2018, due to VAT on multi-annual maintenance expenses.

5.18. BUILDING / EQUIPMENT MANAGEMENT

This category includes expenses such as: security and cleaning of facilities, repair and maintenance of equipment and buildings etc.

Building and equipment management expenses in fiscal year 2019 are broken down in the following table:

	31.12.2019	31.12.2018
Cleaning and security services	261	225
Repair & maintenance of buildings-other equipment	180	92
Fuel and other generator materials	17	17
Shared expenses	8	18
Total	**466**	**352**

Concerns contractual obligations for cleaning and security of the office premises by crews. They are increased due to the increased security that took place in 2019.

Building repair and maintenance expenses also include the annual contract of building maintenance. They are increased due to the upgrades in the building equipment during 2019.

5.19. OTHER OPERATING EXPENSES

Other operating expenses in fiscal year 2019 are broken down in the following table:

(Amounts in thousands of Euro, unless otherwise indicated) 43

	31.12.2019	31.12.2018
Bank of Greece - cash settlement	52	48
Postal expenses	3	4
Transportation expenses	15	13
Storage costs	4	4
Support operation services (1)	179	179
DR site rent	34	22
Travel expenses (2)	25	41
Insurance premiums for means of transportation	1	1
Building fire insurance premiums	19	21
Subscriptions to online databases	236	236
Promotion, entertainment and hospitality expenses	19	15
Expenses for events	7	20
Other expenses (3)	125	418
Total	**719**	**1.022**

1. They concern services provided by subsidiaries of the Athens Exchange Group based on intra-company agreements for the provision of services.
2. Travel expenses concern participation in conferences and events abroad, as well as in training courses.
3. Other expenses in include administrative expenses for a pension plan - €25 thousand; expenses for previous fiscal years - €33 thousand; expenses for disposal notifications - €10 thousand; cash prizes - €12 thousand et al. In 2018, other expenses include provisions for doubtful claims.

5.20. EXPENSES FOR ANCILLARY SERVICES (XNET, IT)

The expenses for ancillary services are broken down below:

	31.12.2019	31.12.2018
Xnet / InBroker expenses	245	521
Expenses for IT Services (LEI)	104	202
VAT on ancillary activities	46	80
Total	**395**	**803**

Xnet expenses are shown in detail below:

	31.12.2019	31.12.2018
InBroker Plus data feed expenses	112	417
ATHEX-CSE InBroker Info	23	27
Settlement and connection fees for foreign securities	100	72
Bank expenses concerning foreign securities	10	5
Total	**245**	**521**

(Amounts in thousands of Euro, unless otherwise indicated) 44

5.21. RE-INVOICED EXPENSES

	31.12.2019	31.12.2018
Leased lines - ATHEXNet	13	8
Promotion expenses	5	5
Co-location electricity consumption	216	191
VAT on electricity consumption	14	10
Total	**248**	**214**

5.22. TANGIBLE ASSETS FOR OWN USE AND INTANGIBLE ASSETS

The policy of the Company is to reassess the commercial value of its properties every three years. The last property valuation was made in early March 2016, with 31.12.2015 as the reference value. Thus, in line with its policy, the Company assigned the study for the assessment of the commercial value of its properties, in accordance with the IFRS, to recognized independent appraisers. The study was completed and delivered in late March 2019, while the Company adjusted the value of its properties on 31.12.2018 according to the outcome of the study, in order to recognize in the balance sheet of 31.12.2018 the fair value of the properties.

In 2019 there were no impairment indications, and therefore a revaluation of the value of the properties was not necessary.

The tangible and intangible assets of the Company as at 31.12.2019 and 31.12.2018 are broken down as follows:

ATHEXCSD	PPE & INTANGIBLE ASSETS						
	Land	Buildings & technical works	Machinery and other equipment	Means of transportation	Furniture and fixtures	Intangible assets	Total
Acquisition and valuation value as at 31.12.2017	**4,500**	**26,863**	**24**	**9**	**1,548**	**2,438**	**35,382**
Additions in 2018	0	49	0	0	469	734	**1,252**
Reductions in 2018	0	0	0	0	0	0	**0**
Acquisition and valuation value as at 31.12.2018	**4,500**	**26,912**	**24**	**9**	**2,017**	**3,172**	**36,634**
Accumulated depreciation and amortization as at 31.12.2017	**0**	**10,958**	**24**	**6**	**1,328**	**797**	**13,113**
Depreciation and amortization in 2018	0	1,079	0	0	138	439	**1,656**
Accumulated depreciation and amortization as at 31.12.2018	**0**	**12,037**	**24**	**6**	**1,466**	**1,236**	**14,769**
Book value							
as at 31.12.2017	**4,500**	**15,905**	**0**	**3**	**220**	**1,641**	**22,269**
as at 31.12.2018	**4,500**	**14,875**	**0**	**3**	**551**	**1,936**	**21,865**
Value adjustment	0	2,599	0	0	0	0	**2,599**
Book value after adjustment							
as at 31.12.2018	**4,500**	**17,474**	**0**	**3**	**551**	**1,936**	**24,464**

(Amounts in thousands of Euro, unless otherwise indicated) 45

ATHEXCSD	PPE & INTANGIBLE ASSETS						
	Land	Buildings & technical works	Machinery and other equipment	Means of transportation	Furniture and fixtures	Intangible assets	Total
Acquisition and valuation value as at 31.12.2018	**4,500**	**29,511**	**24**	**9**	**2,017**	**3,172**	**39,233**
Additions in 2019	0	0	0	0	334	546	**880**
Reductions in 2019	0	0	0	0	0	0	**0**
Acquisition and valuation value as at 31.12.2019	**4,500**	**29,511**	**24**	**9**	**2,351**	**3,718**	**40,113**
Accumulated depreciation and amortization as at 31.12.2018	**0**	**12,037**	**24**	**6**	**1,466**	**1,236**	**14,769**
Depreciation and amortization in 2019	0	1,331	0	2	183	473	**1,989**
Accumulated depreciation and amortization as at 31.12.2019	**0**	**13,368**	**24**	**8**	**1,649**	**1,709**	**16,758**
Book value							
as at 31.12.2018	**4,500**	**17,474**	**0**	**3**	**551**	**1,936**	**24,464**
as at 31.12.2019	**4,500**	**16,143**	**0**	**1**	**702**	**2,009**	**23,355**

The amounts of intangible assets include a total amount of €138 thousand and concern the capitalization of expenses (CAPEX creation) for systems development for fiscal year 2019.

5.23. OTHER LONG-TERM RECEIVABLES

Other long-term receivables concern an amount of €46 thousand for PPC (electric power) deposit and an amount of €11 thousand for management committee reserve for the Katouni building (Thessaloniki).

	31.12.2019	31.12.2018
Management committee reserve	11	11
Rental guarantees	46	46
Total	**57**	**57**

5.24. CUSTOMERS AND OTHER TRADE RECEIVABLES

All receivables are short-term and, therefore, no discounting is required as at the date of the Statement of Financial Position. The breakdown of customers and other receivables is shown in the following table:

	31.12.2019	31.12.2018
Customers	3,165	3,023
Group Customers (1)	120	23
Less: provision for doubtful accounts	(2,027)	(2,048)
Net trade receivables	**1,258**	**998**
Other receivables		
Tax (0.2%) (2)	2,807	1,910
Withholding tax on deposits	92	62
Accrued income	37	130
Other taxes withheld	21	18
Prepaid non-accrued expenses (3)	379	29
Sundry debtors	16	(14)
Total	**3,352**	**2,135**

(Amounts in thousands of Euro, unless otherwise indicated) 46

1. Group Customers include fees for trade notification instructions due by ATHEXClear to ATHEXCSD.
2. The tax claim of 0.20% is paid by the members on TD+1, while some members take advantage of their right to make a single payment of the tax to ATHEXCSD on the third business day after the end of the month on which the transactions were carried out.
3. Concerns the prepayment of an amount that will be expensed in the following fiscal year (UNISYSTEMS, MICROSOFT, PERFORMANCE TECHNOLOGY, insurance contracts etc.)

The carrying amount of the above receivables represents their fair value.

The change in the provision for doubtful accounts is broken down as follows:

Provision for doubtful accounts	
Balance on 31.12.2017	**1,662**
Additional provision in 2018	386
Balance on 31.12.2018	**2,048**
Additional provision in 2019	(21)
Balance on 31.12.2019	**2,027**

The carrying amounts for customers represent their fair value.

The following table shows in detail the total accounts receivable.

COMPANY	**31.12.2019**	**31.12.2018**
Balances not past due	1,083	866
Past due balances	2,202	2,179
Before provisions	**3,285**	**3,046**
Less: provisions for value impairment	(2,027)	(2,048)
After provisions	**1,258**	**998**

The aging analysis for past due accounts receivable is as follows:

COMPANY	**31.12.2019**	**31.12.2018**
Up to 120 days	190	118
121-240 days	-12	20
241-360 days	0	2
More than 360 days	2,024	2,039
Before provisions	**2,202**	**2,179**

As of 1 January 2018, the Company implements the simplified approach of IFRS 9 and calculates the expected credit losses over the entire lifetime of trade receivables.

On each balance sheet date, the Company performs an impairment test on trade receivables using a table according to which the expected credit losses are calculated. The maximum exposure to credit risk on the Statement of Financial Position date is the carrying amount of each category of trade receivables as shown above.

The following table presents information regarding the exposure of the Company to credit risk.

(Amounts in thousands of Euro, unless otherwise indicated) 47

COMPANY	Not past due	Up to 120 days	121-240 days	241-360 days	More than 360 days
Expected loss ratio	0.3%	0.7%	2.7%	0%	100%
Total accounts receivable	1,083	190	-12	0	2,024
Expected loss	3	1	0	0	2,024

The new IFRS 9, which concerns the classification and measurement of financial assets, encourages the use of an expected credit loss model replacing the model of realized accounting losses previously implemented. According to this model, and for the purpose of estimating the expected credit loss in trade receivables as at 31.12.2019, the Company allocated the accounts receivable to time scales and then applied loss ratios based on past experience in each time scale. This showed that an additional provision for doubtful accounts of €21 thousand is required.

5.25. CONTRACTUAL OBLIGATIONS

IFRS 15: Revenue recognition

IFRS defines the principles that are applied by an entity when recording information concerning the nature, the amount, the time frame and the uncertainty of revenue and cash flows from client contracts. The basic principle of IFRS 15 is that an entity will recognize revenue in a way that reflects the transfer of goods or services to customers in the amount it expects to be entitled in return for these goods or services. In order to recognized revenue in accordance with IFRS 15, the Company follows the following five steps:

- Recognition of client contract(s).
- Recognition of the terms of the contracts. The implementation obligations are contract promises to transfer to the client discrete goods or services.
- Determination of the price of the transaction. The transaction price is the amount of consideration to which the entity is entitled in exchange for the transfer of the promised goods or services to a customer. If the consideration promised in the contract includes a variable amount, the entity must estimate the amount of consideration to which it is entitled in respect of the transfer of the promised goods or services to a client.
- Allocation of the price of the transaction according to the terms of the contracts.
- Revenue recognition as the Company fulfils the terms of the contracts.

A contract exists when enforceable rights and obligations are created between two or more parties. This contract may not necessarily be in written form in order to be a binding contract.

As part of IFRS 15, revenue from new listings at ATHEX, as well as rights issues that take place during the fiscal year are considered to concern not only the fiscal year during which they are paid, but must be recognized and allocated to the duration that the company remains listed at ATHEX, during which the service is expected to be provided.

	Short-term contractual obligations	Long-term contractual obligations
New listings	12,609	37,828
Rights issues	236,951	236,951
	249,560	**274,779**

(Amounts in thousands of Euro, unless otherwise indicated) 48

5.26. CASH AND CASH EQUIVALENTS

The breakdown of the cash balances of the Company is provided below:

	31.12.2019	31.12.2018
Third party balances in ATHEXCSD bank account	94	140
Sight deposits in commercial banks	652	729
Term Deposits < 3months	25,306	21,348
Cash on hand	4	4
Total	**26,056**	**22,221**

The cash balances of the Company are placed in short-term interest bearing investments with the aim to maximize the benefits, always in accordance with the policy set by the Management of the Group. The income of the Company from the placement of its cash balances in short-term interest bearing investments came to €191 thousand in 2019 compared to €249 thousand in 2018 due to the drop in interest rates. Bank expenses reached €3 thousand, and remained at the same level as in 2018.

5.27. SHARE CAPITAL AND RESERVES

a) Share capital

The share capital of the Company amounts to €24,078,000 and consists of 802,600 shares of a nominal value of €30.00 each.

b) Reserves

	31.12.2019	31.12.2018
Statutory reserve	1,240	1,152
Untaxed and specially taxed reserves	454	454
Real estate revaluation reserve (Law 2065/1992)	1,436	1,436
Property revaluation reserve	1,949	1,949
Business sector Spin-off Reserve	6,447	6,447
Reserve from employee stock option	49	49
Total	**11,575**	**11,487**

Untaxed and specially taxed reserves remained unchanged and have been formed, as shown in the above table, in accordance with the provisions of tax legislation from untaxed or specially taxed revenue (earnings from sale of shares etc.). In the event that a distribution of such earnings is decided, tax must be paid, which will be calculated at the income tax rates applicable at the time of distribution.

The Company carried out a revaluation of its property and transferred the capital gain from the buildings of Athinon Avenue and Katouni to a real estate revaluation reserve.

c) Retained earnings

The retained earnings account, which on 31.12.2018 had a balance of €8,131 thousand after the addition of the profit after tax of 2019 amounting to €4,084 thousand, the formation of a statutory reserve amounting to €88 thousand and the distribution of a dividend of €3,210 thousand came to €8,917 thousand.

(Amounts in thousands of Euro, unless otherwise indicated) 49

5.28. DEFERRED TAX

The deferred tax accounts are broken down as follows:

Deferred Tax	31.12.2018	31.12.2018
Deferred tax liabilities	(1,573)	(1,483)
Total	**(1,573)**	**(1,483)**

Deferred tax claims	Intangible assets	Property, plant & equipment	Actuarial & employee compensation provisions	Other provisions	Total
Balance on 01.01.2018	**38**	**0**	**158**	**167**	**363**
(Debit)/Credit to profit or loss	(9)	0	(27)	(28)	(64)
(Debit)/Credit to other comprehensive income	0	0	0	383	383
Balance on 31.12.2018	**29**	**0**	**131**	**522**	**682**
(Debit)/Credit to profit or loss	(8)	0	(5)	(396)	(409)
(Debit)/Credit to other comprehensive income	0	0	21	0	21
Balance on 31.12.2019	**21**	**0**	**147**	**126**	**294**

Deferred tax liabilities	Intangible assets	Property, plant & equipment	Actuarial & employee compensation provisions	Other provisions	Total
Balance on 01.01.2017	**0**	**(1,931)**	**0**	**0**	**(1,931)**
Debit/(Credit) to profit or loss	0	416	0	0	416
Debit/(Credit) to other comprehensive income	0	(650)	0	0	(650)
Balance on 31.12.2018	**0**	**(2,165)**	**0**	**0**	**(2,165)**
Debit/(Credit) to profit or loss	0	298	0	0	298
Debit/(Credit) to other comprehensive income	0		0	0	0
Balance on 31.12.2019	**0**	**(1,867)**	**0**	**0**	**(1,867)**

Deferred income tax is calculated based on the temporary differences that arise between the carrying amounts of the assets and liabilities recognized in the financial statements and their tax base according to the tax legislation.

The Company calculated income tax for 2019 using 24% as the tax rate.

5.29. CURRENT INCOME TAX AND INCOME TAX PAYABLE

Non-deductible expenses mainly include provisions, various expenses, as well as amounts that the Company considers that cannot be justified as productive expenses in a potential tax audit and which are adjusted by Management at the calculation of the income tax.

Tax liabilities	31.12.2019	31.12.2018
Liabilities / (claims)	8	370
Income tax expense	1,844	897
Taxes paid / (refunded)	(574)	(1,259)
Obligation / (Claim)	**1,278**	**8**

(Amounts in thousands of Euro, unless otherwise indicated) 50

The company shows on 31.12.2019 an income tax obligation of €1,278 thousand compared to €8 thousand on 31.12.2018.

	31.12.2019	31.12.2018
Income tax	1,844	897
Deferred Tax	111	(735)
Income tax expense	**1,955**	**162**

The reconciliation of the income tax with profit before tax on the basis of the applicable rates and the tax expense is as follows:

Income Tax	31.12.2019	31.12.2018
Earnings before tax	6,107	1,934
Income tax rate	24%	29%
Expected tax expense	1,466	561
Tax effect of non-deductible expenses	409	
Tax effect of the change in tax rate in the results	80	(399)
Income tax expense	**1,955**	**162**

Tax Compliance Report

For fiscal years 2011 to 2015, the Greek Sociétés Anonymes and Limited Liability Companies, the annual financial statements of which are subject to statutory audit, are required to obtain an “Annual Certificate” in accordance with paragraph 5 of Article 82 of Law 2238/1994 and Article 65A of Law 4174/2013, which is issued upon the completion of a tax audit conducted by the Statutory Auditor or Audit Firm conducting the audit of the annual financial statements. Upon the completion of the tax audit, the Statutory Auditor or Audit Firm issues to the company a “Tax Compliance Report” and, subsequently, submits this report by electronic means to the Ministry of Finance.

From 2016 onwards the issuance of the “Annual Certificate” is optional. The tax authority reserves the right to conduct a tax audit within the statutory framework, as set out in Article 36 of Law 4174/2013.

The Company has been audited for fiscal year 2011 by PricewaterhouseCoopers S.A. and for fiscal years 2012-2016 by Ernst & Young S.A. and has obtained unqualified “Tax Compliance Reports” in accordance with the applicable provisions (Article 82, paragraph 5 of Law 2238/1994 for fiscal years 2011-2013 and Article 65A of Law 4174/2013 for fiscal years 2014-2015).

For fiscal year 2018 the tax audit was performed by PricewaterhouseCoopers S.A. in accordance with Article 65A of Law 4174/2013 and the relevant tax audit certificate was issued in October 2019.

For fiscal year 2019 the tax audit is in progress and the tax audit certificate is expected to be issued in 2020.

5.30. PROVISIONS

The following table shows in detail the provisions of the Company as at 31.12.2019.

	31.12.2019	31.12.2018
Post-employment compensation (note 5.13)	611	525
Other compensation provisions	0	0
Employee compensation provision	**611**	**525**

(Amounts in thousands of Euro, unless otherwise indicated) 51

Changes in provisions are shown in the following table:

	Compensation Provisions	Provisions for other risks
Balance on 31.12.2018	**548**	**40**
Used provision in the fiscal year	(23)	0
Balance on 31.12.2019	**525**	**40**

	Compensation Provisions	Provisions for other risks
Balance on 31.12.2018	**525**	**40**
Additional provision in the fiscal year	86	0
Balance on 31.12.2019	**611**	**40**

	31.12.2019	31.12.2018
Other provisions	40	40
Total	**40**	**40**

Obligations to employees

The changes in the provision for fiscal year 2019 are shown in detail in the following table:

Accounting Presentation in accordance with the revised IAS 19 (amounts in €)	Company	
	31.12.2019	31.12.2018
Amounts recognized in the Statement of Financial Position		
Present value of liabilities	**610,919**	**525,435**
Fair value of the assets of the program	0	0
Net liability recognized in the Statement of Financial Position	**610,919**	**525,435**
Amounts recognized in the Profit & Loss Account		
Cost of current employment	15,357	10,141
Net interest on the liability/(asset)	9,300	8,929
Total administrative expense recognized in the Profit & Loss account	0	0
Regular expense in the Profit & Loss Account	**24,657**	**19,070**
Recognition of past service cost	0	0
Cost of staff reduction/settlement/termination	133,181	342,159
Other expenses/(revenue)	(8,748)	(5,713)
Total expense in the Profit & Loss Account	**149,090**	**355,516**
Change in the present value of the liability		
Present value of the liability at the beginning of the fiscal year	525,435	547,761
Cost of current employment	15,357	10,141
Interest expense	9,300	8,929
Benefits paid by the employer	(152,634)	(377,434)
Cost of staff reduction/settlement/termination	133,181	342,159
Past service cost during the period	0	0
Other expenses/(revenue)	(8,748)	(5,713)
Actuarial loss/(gain) - financial assumptions	68,698	(10,000)
Actuarial loss/(gain) – demographic assumptions	19,945	0
Actuarial loss/(gain) - experience for the fiscal year	385	9,592

(Amounts in thousands of Euro, unless otherwise indicated) 52

Present value of liability at the end of the fiscal year	**610,919**	**525,435**
Adjustments		
Adjustments to liabilities due to change in assumptions	(88,643)	10,000
Empirical adjustments in liabilities	(385)	(9,592)
Empirical adjustments in assets	0	0
Net actuarial profit / (loss) in Equity	**(89,028)**	**408**
Other adjustments in Equity	0	0
Total amount recognized in Equity	**(89,028)**	**408**
Changes in net liability recognized in the Statement of Financial Position		
Net liability at the start of the fiscal year	525,435	547,761
Employer contributions	-	-
Benefits paid by the employer	(152,634)	(377,434)
Total expense recognized in the Profit & Loss Account	149,090	355,516
Total amount recognized in Equity	89,028	(408)
Net liability at the end of the fiscal year	**610,919**	**525,435**

The actuarial assumptions used in the actuarial valuation in accordance with IAS 19 are as follows:

Actuarial assumptions	31.12.2019	31.12.2018
Discount rate	0.96%	1.77%
Increase in salaries (long term)	1.00%	1.00%
Inflation rate	1.00%	1.00%
Mortality	EVK 2000 (Swiss table)	EVK 2000 (Swiss table)
Personnel turnover rate	0.50%	0.50%
Normal retirement age	Retirement terms established by the social security fund of the employee	Retirement terms established by the social security fund of the employee
Duration of liabilities	15.12	15.35

5.31. SUPPLIERS AND OTHER TRADE LIABILITIES

All liabilities of the Company are short-term and, therefore, no discounting is required as at the date of the financial statements. The breakdown of suppliers and other liabilities is presented in the following table:

	31.12.2019	31.12.2018
Suppliers	885	798
Group Suppliers	59	16
Cheques Payable	71	72
Hellenic Capital Market Commission Fee	56	42
Accrued third party services	155	254
Employee remuneration provision	314	0
XNET Cash Settlement facilitation (1)	338	338
Sundry creditors (2)	116	150
Total	**1,994**	**1,670**

1. The amount concerns the money facility provided by ATHEX to the Company in order to facilitate the XNET settlement in accordance with the regulatory operating framework of the “XNET Trading Network” of the Athens Exchange.

(Amounts in thousands of Euro, unless otherwise indicated) 53

2. The creditors account includes building rent guarantees - €17 thousand, as well as an intermediate account for coupons payable - €100 thousand.

The carrying amount of the above liabilities represents their fair value.

5.32. TAXES PAYABLE

	31.12.2019	31.12.2018
Tax on stock sales 0.2% (1)	3,156	2,122
Tax on salaried services	81	89
VAT / other taxes (2)	91	86
Total	**3,328**	**2,297**

1. The Company, after the absorption of the ATHEX Depository business, as universal successor of the Central Securities Depository according to Article 9, paragraph 2 of Law 2579/88 as amended by Law 2742/99, acts as an intermediary in the receipt from ATHEX Members and the payment to the Greek State of the Tax (0.20%) on stock sales concluded in ATHEX. The amount of €3.1 million represents the tax (0.20%) on stock sales that was received for December 2019 and was paid to the Greek State in January 2020.
2. The amount includes VAT on outflows and stamp duty.

5.33. EARNINGS PER SHARE AND DIVIDENDS PAYABLE

The net earnings after tax of the Company in 2019 came to €4,151 thousand compared to €1,772 thousand in 2018 and the earnings per share amounted to €5.17 and €2.2 respectively.

The Unsolicited Universal General Meeting of shareholders of 30.05.2019 approved the proposal of the Board of Directors for the payment of dividend in the amount of €3.210,400 to the Athens Exchange, sole shareholder of the Company (802,600 shares x €4.00 per share) for fiscal year 2018.

5.34. RELATED PARTY DISCLOSURES

The value of transactions and balances of ATHEXCSD with related parties are analyzed in the following table:

	31.12.2019	31.12.2018
Remuneration of executives and managerial staff	385	371

The intra-group balances as at 31.12.2019 and 31.12.2018, as well as the intra-company transactions of the Companies of the Group as at 31.12.2019 and 31.12.2018, are shown in detail below.

INTRA-GROUP BALANCES (in €) ON 31.12.2019				
		ATHEX	ATHEXCSD	ATHEXClear
ATHEX	Receivables	0	446,609	0
	Payables	0	0	0
ATHEXCSD	Receivables	0	0	120,246
	Payables	446,609	0	1,600
ATHEXClear	Receivables	0	1,600	0
	Payables	0	120,246	0

(Amounts in thousands of Euro, unless otherwise indicated) 54

INTRA-GROUP BALANCES (in €) ON 31.12.2018				
		ATHEX	ATHEXCSD	ATHEXClear
ATHEX	Receivables	0	404,920	0
	Payables	0	3,069	0
ATHEXCSD	Receivables	3,069	0	20,047
	Payables	404,920	0	1,611
ATHEXClear	Receivables	0	1,611	0
	Payables	0	20,047	0

INTRA-GROUP REVENUE-EXPENSES (in €) ON 31.12.2019				
		ATHEX	ATHEXCSD	ATHEXClear
ATHEX	Revenue	0	386,451	110,522
	Expenses	0	315,069	0
	Dividend income	0	3,210,400	0
ATHEXCSD	Revenue	315,069	0	5,940,953
	Expenses	386,451	0	26,006
ATHEXClear	Revenue	0	26,006	0
	Expenses	110,522	5,940,953	0

INTRA-GROUP REVENUE-EXPENSES (in €) ON 31.12.2018				
		ATHEX	ATHEXCSD	ATHEXClear
ATHEX	Revenue	0	402,376	109,822
	Expenses	0	308,833	0
	Dividend income	0	802,600	0
ATHEXCSD	Revenue	308,833	0	5,085,351
	Expenses	402,376	0	16,258
ATHEXClear	Revenue	0	16,258	0
	Expenses	109,822	5,085,351	0

The intra-group transactions concern the flat settlement fee (Article 1 of Decision 1 regarding ATHEXCSD fees), the settlement instructions (Article 1 of Decision 1 regarding ATHEXCSD fees) as well as support services (accounting, security, administration services etc.), IT services, as well as services for support of PC users, which are billed at prices similar to those in transactions carried out between third parties.

5.35. MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY

The members of the Board of Directors of the Company are listed in the following table:

(Amounts in thousands of Euro, unless otherwise indicated) 55

HELLENIC CENTRAL SECURITIES DEPOSITORY S.A.	
George Handjinicolaou	Chairman, Non-Executive Member
Adamantini Lazari	Vice Chairwoman, Independent Non-Executive Member
Socrates Lazaridis	Chief Executive Officer, Executive Member
Theano Karpodini	Independent Non-Executive Member
Polyxeni Kazoli	Independent Non-Executive Member
Spyridoula Papagiannidou	Independent Non-Executive Member
Nikolaos Pimplis	Executive Member

5.36. CONTINGENT LIABILITIES

Legal action has been taken against customers for overdue debts.

The Management of the Company and its legal counsel consider that the outcome of these cases will not have a significant impact on the results of the Company.

In order to reduce the amount of accounts receivable, the Company takes all legal actions allowed by the Law and the Regulations.

5.37. EVENTS AFTER THE DATE OF THE FINANCIAL STATEMENTS

The rapid spread of the coronavirus (COVID-19) disease, finds the world financial system and business to a large degree unprepared. The world economy is entering a period of uncertainty and instability, the consequences of which are difficult to estimate based on the facts so far. The economic impact will depend on the duration, the intensity and the spread of the disease in Greece and across the world.

At the same time, the critical period that we are facing and the financial impact of the pandemic have brought about major changes in our work routine.

Companies are now required to operate under complex and adverse conditions, while ensuring a safe and effective environment for both their staff as well as their clients and partners.

In this context, the Athens Exchange has implemented a series of preventive measures, supporting from the start the national initiative and following the recommendations of those responsible for taking specific measures to contain the spread of the virus.

Following confirmation of a case affecting a member of the Group's management, we took swift action to protect our staff, our partners and our customers. We carry out regular disinfections of the office building of the companies of the Group and immediately implemented work from home for up to 90% of our staff.

By utilizing our technological infrastructure, we have created a strong crisis response mechanism, which ensures both seamless business continuity and systems security (including cyber security and data protection systems in a remote work environment).

The Company continues to operate smoothly until the date of this report, as Management has taken the necessary measures to limit the extent of the financial impact of the COVID-19 pandemic to the extent that there is no material uncertainty regarding the continued operation of the Group in the short-term. Additional significant factors that contribute to this conclusion is the fact that the Group has a strong financial position, without external borrowing, and sufficient liquidity in order to meet the maturity of its liabilities. The strong capital adequacy of the Company is consistent with the appetite for risk taking to the extent that it enables the reliable, secure and seamless operation of the capital market. In addition, the Group may adjust its investment plan by considering delaying or even postponing investments depending on current developments.

However, there is a high degree of uncertainty in the long-term concerning the duration, the intensity and the extent of the disease. As a result, an estimation of the macroeconomic conditions at the global level and by extension of the financial consequences at the Company and Group level in the long-term cannot be reliably and reasonably determined at this stage.

No event with material impact on the results of the Company occurred or was concluded after 31.12.2019, the date of the annual financial statements for 2019, and until the approval of the financial statements by the Board of Directors of the Company on 30.03.2020.

Athens, 30 March 2020

THE CHAIRMAN OF THE BOARD

GEORGE HANDJINICOLAOU ____________________

THE CHIEF EXECUTIVE OFFICER

SOCRATES LAZARIDIS ____________________

THE CHIEF FINANCIAL OFFICER

NIKOLAOS KOSKOLETOS ____________________

THE DIRECTOR OF FINANCIAL MANAGEMENT

CHRISTOS MAYOGLOU ____________________

THE DEPUTY DIRECTOR OF FINANCIAL CONTROL, BUDGETING & INVESTOR RELATIONS

CHARALAMBOS ANTONATOS ____________________