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SNAPPI S.A

Annual Financial Report

31 December 2022

In accordance with International Financial Reporting Standards

The attached Annual Financial Report has been approved by SNAPPI S.A Board of Directors on ***23rd of May 2023*** *and is available on the web site of the company* ***www.snappi.gr/financials*** *and on the web site of Piraeus Financial Holdings S.A. at* ***www.piraeusholdings.gr***

The information contained in this Annual Financial Report has been translated from the original Annual Financial Report that has been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language Annual Financial Report, the Greek language Annual Financial Report will prevail over this document.

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BOARD OF DIRECTORS REPORT
OF “SNAPPI S.A.”
TO THE ANNUAL SHAREHOLDER MEETING
FIRST FINANCIAL YEAR 17 JUNE 2022 - 31 DECEMBER 2022

Dear Shareholders,

We bring to your attention the Annual Financial Statements of the Company "SNAPPI S.A." (hereinafter the "Company") for the first financial year from 17/06/2022 to 31/12/2022 which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

PURPOSE OF THE COMPANY

The Societe Anonyme under the name "SNAPPI S.A." was founded on 6/2022 and its registered offices are located in the district of Ioannina, at 7^{A} Krystalli Str., Postcode 45444.

The purpose of the Company includes the following:

- the performance of any preparatory work or activity required in order for the Company to obtain a license to operate as a credit institution by the competent supervisory authorities, with particular emphasis on the provision of innovative digital banking products and services to individuals and businesses and the use of emerging cutting-edge technologies, as well as the provision of access to digital banking services and products through the Banking-as-a-service (Baas) model.

- the development, production, distribution, licensing, use and support in any way of software, software applications, multimedia and electronic applications and systems in general for financial institutions.

- the alignment of its business directions with those of social progress and solidarity, high and stable economic growth, the use of best labour practices, the responsible use of natural resources and the promotion of culture and sciences, as well as the dissemination and promotion of the application of technology in the financial sector (fintech). To this end, the Company may develop research, educational and community benefit activities through corporate social responsibility programs.

- **INCOME STATEMENT**

The loss for the year before taxes amounted to EUR 2,314,796 and mainly consists of administrative expenses. The turnover during the financial year ended 31/12/2022 amounted to EUR 0.00 as the Company has not started any activity.

- **HUMAN RECOURSES**

On 31 December 2022, the Company employed 20 employees.

- **KEY RATIOS**

The key ratios for the Company with regard to the 2022 financial year are as follows:

	31/12/2022
Financial Structure Ratios	
Current assets / Total assets	79%
Total equity / Total liabilities	1848%
Current assets / Short term liabilities	1610%

- **PROSPECTS OF THE COMPANY - RISKS AND UNCERTAINTIES**

The macroeconomic and financial environment in Greece is heavily influenced by geopolitical and economic developments, both in Greece and abroad, which are beyond the control of the Company and the Piraeus Financial Holdings Group. The Company continuously monitors developments and their possible consequences and takes appropriate measures to prevent and minimize negative effects on its financial position and prospects.

Management's main objectives for 2023 are the following:

1. Obtain the license required for the Company to operate as a credit institution by the competent supervisory authorities. On 30/09/2022, the Company submitted to the Bank of Greece the application and the credit institution licensing file based on the applicable legislation. The assessment process, both by the Bank of Greece and the Single Supervisory Mechanism of the European Central Bank, is currently under way.
2. Staffing all departments with the appropriate human resources.
3. Launch of operations as a banking institution having fully developed the Web banking and Mobile App functionality.
4. Develop operations and achieve the objectives set under the Company's Business Plan.

Risk Management Plan

The Management, having in mind the Company's prospects, has as a high priority objective for the year 2023 the development, implementation and continuous evolution of an effective risk management framework to minimize their potential negative impact on the Company's financial results. The Company's Board of Directors bears the overall responsibility for the development and oversight of the risk management framework.

i. Market risk

The Company has no financial products of any kind in its trading book portfolio and therefore has no exposure to market risk.

ii. Credit risk

Since the Company has not started to provide loan products to customers, there is no credit risk.

Potential credit risk arising from asset placements (cash) in sight accounts within the Group is assessed as extremely limited.

iii. Currency risk

Since all of the balance sheet items of the company are in the euro currency (transactions exclusively in euro), there is no currency risk.

iv. Liquidity risk

The Company recognises that effective management of liquidity risk contributes significantly to the ability to meet financial obligations and maintain the financial solvency of the organisation. Liquidity levels are at particularly high levels as reflected by the aforementioned ratios (for example Current Assets / Short-term Liabilities) and therefore the risk assumed is assessed as particularly limited.

v. Operational risk

Operational risk is effectively addressed through the preparation of the following:

- A full organisational chart with clearly defined responsibilities and reporting lines.
- Statutory Policies (documents) that describe in detail how all the organisation's activities are carried out.

These policies cover the current activities of the Company, those that will arise after the banking licence is obtained, and are available in their entirety to the supervisory authorities.

Due to the nature of the Company's upcoming banking activities, special emphasis has been placed on security:

- concerning all systems, hosted in the Cloud and monitored by modern tools to prevent/respond to cyber attacks.
- with regards to transacting customers, through the use of Artificial Intelligence technologies.

○ **FURTHER INFORMATION**

a) As of 31/12/2022, the Company maintains a branch (offices) at 2-4 Mesogion Street, on the Athens Tower 2;

b) The Company has not acquired and does not hold any treasury shares as of 31/12/2022;

c) The Company does not face any labour and environmental problems and

d) The Company has not made any expenses in the field of research and development.

○ RELATED PARTY TRANSACTIONS

Related party transactions of the Company include a) parent company Piraeus Financial Holdings and its Group subsidiaries, b) Natech S.A., c) the members of the Board of Directors and their family members and d) entities having transactions with the Company, that are controlled or having significant influence by the members of the Board of Directors and their close family members.

The terms of the transactions with related parties are conducted on an arm's length basis.

Transactions with related parties are presented below:

2022	RECEIVABLES	LIABILITIES	INCOME	EXPENSES/ PURCHASES
Natech S.A.				41,780
Piraeus Bank	18,889,517	-	-	350
Totals	**18,889,517**	**-**	**-**	**42,130**

The receivable from Piraeus Bank relates to a sight deposit. The expenses and purchases relate mainly to purchases of electronic equipment from Natech which have been capitalized.

No remuneration has been paid to the members of the Board of Directors of the Company during the year 2022.

○ EVENTS AFTER THE REPORTING DATE

There are no events subsequent to the Financial Statements as of December 31, 2022 that relate to the Company and that would have a material impact on the Company's Financial Information.

Athens, 23 May 2023

On behalf of the Board of Directors:

THE MANAGING DIRECTOR

DIMITRIOS LITSIKAKIS

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Auditor's Report (unofficial English translation of Greek report)
To the Shareholders of SNAPPI SA

<u>Report on the financial statements</u>

Opinion

We have audited the accompanying financial statements of SNAPPI SA (the "Company"), which comprise the statement of financial position as of 31st December 2022, the statement of comprehensive income, changes in equity and its cash flows for the period from 17 June 2022 (date of incorporation) to 31 December 2022, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SNAPPI SA as of 31st December 2022, and its financial performance and cash flows for the year then ended accordance in with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the applicable legal and regulatory framework.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated in Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We remained independent of the Company throughout the period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the management and those charged with governance for the financial statements

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

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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, as incorporated in Greek Law, 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 based on these financial statements.

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.

Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

Considering that the management is responsible for the preparation of the Board of Directors' Report, pursuant to the provisions of paragraph 5 of Article 2 (Part B) of Law 4336/2015, we note that:

a) In our opinion, the Management Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of articles 150 and 153 of Law 4548/2019 and its content corresponds to the attached financial statements for the year ended 31/12/2022.

b) On the basis of the knowledge, we obtained during our audit, for SNAPPI SA and its environment, we have not identified material inaccuracies in the Management Report of the Board of Directors.

Athens, 23 May 2023
Chartered Accountant

Spyros Grouits
SOEL Reg. No 2793
Baker Tilly Certified Auditors Accountants SA
Patmou & Olimpou
15 123 Maroussi
Greece
SOEL Reg. No 176

STATEMENT OF FINANCIAL POSITION

ASSETS	Note	31/12/2022
Non-current assets		
Property and equipment	5	139,914
Intangible assets	6	4,557,473
Other long-term receivables		6,500
Deferred tax assets	7	495,314
		5,199,201
Current assets		
Other assets	8	305,945
Cash and cash equivalents	9	18,889,517
		19,195,461
TOTAL ASSETS		**24,394,662**
EQUITY		
Share capital	10	13,329,865
Share premium	10	11,631,917
Retained earnings		(1,819,483)
Total equity		**23,142,299**
LIABILITIES		
Long term liabilities		
Retirement and termination benefit obligations	11	17,462
Leases liabilities	12	42,613
Total long-term liabilities		**60,074**
Short term liabilities		
Leases liabilities	12	16,665
Trade payables	13	1,011,225
Other liabilities	13	33,179
Current tax and insurance liabilities	13	131,220
Total short-term liabilities		**1,192,289**
Total liabilities		**1,252,363**
TOTAL EQUITY AND LIABILITIES		**24,394,662**

The attached notes (pages 17-37) form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

	Note	From 17/06/2022 to 31/12/2022
Revenue		-
Cost of sales		-
Gross profit		-
Distribution expenses		-
Administrative expenses	14	(2,296,710)
Other income /(expense) operating net	11	(17,844)
Operating results		**(2,314,554)**
Finance income/(expenses) net		(242)
Profit/(loss) before tax		**(2,314,796)**
Income tax expense	7	495,314
Profit/(loss) after tax (A)		**(1,819,483)**
Statement of comprehensive income		
Result of the year (A)		(1,819,483)
Other comprehensive income /(expense) (B)		-
Total comprehensive income (expense) net of tax (A+B)		**(1,819,483)**
Profit/ (loss) per share attributable to ordinary shareholders (in €) Basic and diluted	16	(0.015)

The attached notes (pages 17-37) form an integral part of these financial statements.

AMOUNTS IN EURO

STATEMENT OF CHANGES IN EQUITY	Note	Share capital	Share premium	Retained earnings	Total equity
Opening balance as of 17 June 2022 (incorporation)		5,998,439	-	-	5,998,439
Capital increase	10	7,331,426	11,631,917	-	18,963,343
Profit/(loss) after tax for the year		-	-	(1,819,483)	(1,819,483)
Balance as of 31 December 2022		**13,329,865**	**11,631,917**	**(1,819,483)**	**23,142,299**

The attached notes (pages 17-37) form an integral part of these financial statements.

CASH FLOW STATEMENT

	Note	From 17/06/2022 to 31/12/2022
<u>Cash flow from operating activities</u>		
Profit/ (Loss) before taxes		(2,314,796)
Total profits before tax		**(2,314,796)**
<u>Adjustments to profit before tax</u>		
Plus: Depreciation	5, 6	503,415
Plus: Retirement and termination benefit obligations	11	17,462
Plus: Financial expenses		242
<u>Changes in working capital</u>		
Decrease / (increase) of receivables	8	(312,445)
(Decrease) / increase of payables (excluding banks)	13	1,175,624
Net cash flows from operating activities		**(930,498)**
<u>Cash flows from investments</u>		
Purchase of tangible and intangible fixed assets	5, 6	(140,892)
Net cash flows from investments		(140,892)
<u>Cash flows from financing activities</u>		
Payment of Share Capital	10	19,963,343
Payment of principal and interest on lease liabilities	12	(2,435)
Net cash flows from financing activities		**19,960,908**
Net increase of cash available and cash equivalents		**18,889,517**
Cash and cash equivalents at the beginning of the period		**-**
Cash and cash equivalents at the end of the year	9	**18,889,517**

The attached notes (pages 17-37) form an integral part of these financial statements.

1. GENERAL INFORMATION ABOUT THE COMPANY

The Company named "SNAPPI S.A." (hereinafter the "Company") was established on 17 June 2022 and is a subsidiary of Piraeus Financial Holdings with a 55% stake. The Company operates in Greece and its headquarters are located in Ioannina, at 7^{A} Krystalli Street.

The Company is registered in the General Commercial Register under number 164679129000. The term of the company is open-ended.

The purpose of the Company includes the following: a) the performance of any preparatory work or activity required in order for the Company to obtain a license to operate as a credit institution by the competent supervisory authorities, with particular emphasis on the provision of innovative digital banking products and services to individuals and businesses and the use of emerging cutting-edge technologies, as well as the provision of access to digital banking services and products through the Banking-as-a-service (Baas) model.

b) the development, production, distribution, licensing, use and support in any way of software, software applications, multimedia and electronic applications and systems in general for financial institutions.

c) the alignment of its business directions with those of social progress and solidarity, high and stable economic growth, the use of best labour practices, the responsible use of natural resources and the promotion of culture and sciences, as well as the dissemination and promotion of the application of technology in the financial sector (fintech). To this end, the Company may develop research, educational and community benefit activities through corporate social responsibility programs.

On 30/09/2022, the Company submitted to the Bank of Greece the application and the credit institution licensing file based on the applicable legislation. The assessment process, both by the Bank of Greece and the Single Supervisory Mechanism of the European Central Bank, is currently under way.

The present Financial Statements were approved by the Board of Directors of the Company on 23rd of May 2023, under the approval of the General Meeting of the Company shareholders. As at the date of approval of the Company's Financial Statements for the financial year ended 31/12/2022, the Board of Directors consists of the following members:

- Christos Megalou - Chairman of the Board.
- Athanasios Navrozoglou - Vice-Chairman of the Board.
- Dimitrios Litsikakis - Managing Director
- Charalampos Antoniou - BoD Member
- Georgios Liakopoulos - BoD Member
- Alexander Blades - BoD Member
- Vasileios Koutentakis - BoD Member

According to the Company's Articles of Association, the members of the Board of Directors are elected by the General Meeting of Shareholders, which determines their term of office in accordance with the provisions in force, which cannot exceed the maximum allowed by law.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

2.1 Basis for preparation

The Annual Financial statements have been prepared by Management in accordance with International Financial Reporting Standards (''IFRSs''), as endorsed by the EU at the time of preparing these financial statements.

The Annual Financial statements are prepared in euro and relate to the financial year 2022 and specifically from the date of incorporation 17 June 2022 to 31 December 2022.

The Annual Financial statements have been prepared on a going concern basis and under the historical cost convention.

The Annual Financial statements are included in the consolidated financial statements of the Group of companies "Piraeus Financial Holdings S.A." using the full consolidation method.

2.2 Adoption of International Financial Reporting Standards (''IFRSs'')

The following amendments and annual improvements to existing IFRSs, have been issued by the International Accounting Standards Board ("IASB"), have been endorsed by the EU as of the date the Annual Financial Statements were issued and are effective from 1 January 2022 and have no effect on the present financial statements.

IAS 16 (Amendment) "Property, Plant and Equipment"

The amendment prohibits the deduction from the cost of property, plant and equipment of amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, such sale proceeds and related cost are recognised in profit or loss.

IAS 37 (Amendment) "Provisions, Contingent Liabilities and Contingent Assets"

The amendment specifies which costs a company includes when assessing whether a contract is loss making.

Annual Improvements 2018-2020

IFRS 16 (Annual Improvement) "Leases"

The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor.

The adoption of the amendments and annual improvements did not have an impact on the Annual Financial Statements of the Company.

Amendments to standards that have been issued by the IASB and have been endorsed by the E.U., but they are not effective in 2022 nor have they been early adopted by the Company:

IAS 1 (Amendment) "Presentation of Financial Statements" and IFRS Practice Statement 2: Disclosure of Accounting Policies. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

IAS 8 (Amendment) 'Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates". The amendment introduces the definition of accounting estimates and includes other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies.

IAS 12 (Amendment) "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction". The amendment is applied to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognizes deferred tax for all temporary differences related to leases and decommissioning obligations and recognizes the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The Company have not early adopted the above amendments, however it is not expected any material impact on the Group and the Company's financial statements.

Amendments to standards that have been issued by the IASB but they have not yet been endorsed by the E.U., and therefore they have not been adopted by the Company:

IAS 1 (Amendment) "Classification of Liabilities as Current or Non-current". The amendment aims to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

2.3 SIGNIFICANT ACCOUNTING POLICIES

2.3.1 Functional and presentation currency

Item included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company (the functional currency). The Financial statements are presented in euro which is the functional currency of the Company.

2.3.2 Property and equipment

The Company holds property and equipment for use in the supply of services or for administrative purposes. Property and equipment includes: furniture and other equipment, right of use of leased assets.

Property and equipment are initially measured at cost, which includes all costs necessary to bring an asset into operating condition.

Property and equipment are subsequently measured at historical cost less accumulated depreciation and accumulated impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items. At the end of each reporting period, the company reviews the carrying amounts of property and equipment to determine whether there is any indication of impairment, i.e. whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they incur.

Depreciation on property and equipment is calculated using the straight-line method based on the estimated useful lives and taking into account their residual values. The company conducts an assessment of the estimate for the useful lives and the residual values of the property and equipment on an annual basis.

Depreciation of property and equipment begins when it is available for use and ceases when it is derecognised. In the case where the asset is idle or retired from active use, it continues to be depreciated until it has been fully depreciated. The useful lives per fixed asset category is as follows:

Computer hardware	3-5 years
Leasehold improvements	the shorter of useful life and lease term
Furniture and other equipment	5-10 years

2.3.3 Intangible assets

Costs associated with the acquisition of software programs, which will probably generate economic benefits to the Company for more than one year, are recognised as intangible assets. Expenditure that enhances or extends the performance of computer software programmes beyond their original specifications or software upgrade expenses are added to the original cost of the software, as long as they can be measured reliably.

Subsequent to initial recognition, software is measured at cost less accumulated amortisation and accumulated impairment loss. Software is amortised on a straight line basis and based on its useful life, which is from 5 to 10 years.

At the end of each reporting period, the Company reviews the carrying amounts of computer software to determine whether there is any indication of impairment, i.e. whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Whenever the recoverable amount is less than the carrying amount, software is impaired to its recoverable amount.

Costs associated with maintaining the performance of the computer software programmes are recognised as an expense in the profit or loss as incurred.

Software is derecognised when it is disposed; or when no future economic benefits are expected from use or disposal of the software.

2.3.4 Income tax

Income tax represents the sum of the current tax and deferred tax.

2.3.4.1 Current tax

Taxable profit differs from “profit/ (loss) before tax” as reported in the income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.3.5 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit, to the extent that is probable that taxable profits in the foreseeable future will be available against which such temporarily differences can be utilized.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.3.5.1 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.3.6 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents comprise balances with less than three months maturity from the date of acquisition such as: cash, and due from banks.

2.3.7 Leases

The Company following the provisions of IFRS 16 at the inception of a contract, assess whether the contract is or contains a lease based on whether the Company has the right to control the use of an identified asset for a period of time in exchange for a consideration and obtain substantially all the economic benefits from the use of the asset.

At the commencement of the lease, the Company recognise a right-of-use asset (“RoU”) representing their right to use the underlying asset and a lease liability representing their obligation to make lease payments.

According to IFRS 16, the Company recognises right of use assets and lease liabilities for all their lease contracts that fulfil the definition of a lease.

The Company applying IFRS 16 for all leases:

a) recognises lease liabilities in the statement of financial position;
b) recognises right-of-use assets in the statement of financial position;
c) recognises depreciation of right-of-use assets and impairment based on IAS 36 “Impairment of Assets” in the income statement;
d) recognises finance cost on lease liabilities

The initial measurement at cost of the RoU assets comprises of:

a) the amount of the initial measurement of the lease liability;
b) any lease payments made less any lease incentives received;
c) any initial direct costs; and
d) an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Regarding the subsequent measurement and derecognition, the Company follows the accounting policies and accounting treatment applied for the other assets accounted for in the same asset category as the RoU.

The lease liabilities are initially measured at the present value of the future lease payments using the incremental borrowing rate. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications (which does not constitute a different lease contract). The Company derecognises the lease liability from the statement of financial position when, and only when, it is extinguished—i.e. when the obligation specified in the contract is discharged or cancelled or expired.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (below EUR 5,000), the Company recognises a lease expense on a straight-line basis over the lease term as permitted by IFRS 16.

2.3.8 Recognition of revenue and expenses

The revenue and the expenses of the Company are recognized on an accrual basis. The Company did not generate any service revenue in year 2022.

2.3.9 Share capital and Treasury shares

Costs directly attributable to the issue of share capital decrease equity. As of 31 December 2022, the Company does not hold treasury shares.

2.3.10 Employee benefits

The defined benefit obligation from the retirement benefits of law 2112 as amended by law 4093/12 is calculated annually by independent qualified actuaries using the projected unit credit method.

Actuarial gains and losses

Actuarial gains and losses are recognised directly to the equity of the Company when they arise. These actuarial gains and losses are not recycled to the income statement.

Past service costs

Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment or curtailment. This cost is recognised directly to the income statement when the plan amendment or curtailment occurs.

2.3.11 Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable, that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

If it becomes almost certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs.

Provisions are reviewed at each date of the statement of financial position and if it is no longer probable that an outflow of resources will be required to settle the obligation, the provisions are reversed.

Provisions are used only for the purpose for which they were originally created. No provision for future losses is recognized. Contingent assets and contingent liabilities are not recognised.

2.3.12 Related party transactions

Related parties of the company include a) The parent company Piraeus Financial Holdings and the subsidiaries of the Group, b) η Natech S.A., c) Members of the Company Board of Directors and their close family members and d) entities having transactions with the Company, that are controlled or significantly influenced by the Board of Directors and their close family. Transactions with related parties are conducted on an arm's length basis.

2.3.13 Financial assets

Classification

The classification depends on the Company's business model for managing financial assets and the characteristics of the contractual cash flows of financial assets. Management determines the classification at initial recognition.

The Company classifies its financial assets at amortised cost. Financial assets at amortised cost are held to collect contractual cash flows and their cash flows represent only principal and interest payments. These are included in current assets, except those maturing more than twelve months after the reporting date. These are classified as non-current assets.

The Company's financial assets measured at amortised cost include: cash and cash equivalents, bank deposits with an original maturity of more than 3 months and other receivables.

Measurement

On initial recognition, the Company measures a financial asset at amortised cost at its fair value plus any transaction costs directly attributable to the acquisition of the financial asset. Subsequently, these are measured at amortized cost.

Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is recognised only if there is a difference between the fair value and the transaction price that can be evidenced by other observable current market transactions in the same instrument or by valuation techniques whose inputs used include only observable market data.

Provision for expected credit loss

The Company evaluates on a prospective basis the Expected Credit Losses (ECL) for debt financial assets measured at amortized cost. The Company measures the expected credit loss based on the provisions of IFRS 9 and recognises a provision for credit loss at each reporting date.

The carrying amount of financial assets is reduced through the use of a provision account, and the amount of the loss is recognised in the income statement. Subsequent recoveries of amounts for which a credit loss was previously recognised shall be credited to the same line item in the income statement.

Debt financial assets at amortised cost are presented in the balance sheet after provision for expected credit losses.

3. SIGNIFICANT ACCOUNTING ASSUMPTIONS AND ESTIMATES

The preparation of the financial statements requires the use of accounting assumptions and estimates in the application of the Company's accounting policies. Accounting assumptions and estimates are evaluated on an ongoing basis and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Such assumptions and estimates are as follows:

3.1 Impairment of fixed tangible and intangible assets

The Company assesses at each reporting date whether or not there is any indication of impairment of its non-current assets. Determining whether there is evidence of impairment requires Management to make estimates, assumptions and judgements about external and internal factors, the extent to which they affect the recoverability of its assets.

3.2 Deferred Tax Assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that sufficient taxable profit will be available to offset those tax losses. In determining the amount of deferred tax asset that can be recognized, significant judgments and estimates are required by the Company's Management based on future taxable income.

Impairment of financial assets

Impairments of financial assets are based on assumptions about the risks of default and expected losses. The Company uses judgment to make these assumptions and determine the cash flows for the impairment calculation based on the Company's history, existing market conditions and future estimates at the end of each reporting period.

4. FINANCIAL RISK MANAGEMENT

Management, having in mind the Company's prospects, has as a high priority objective for the year 2023 the development, implementation and continuous evolution of an effective risk management framework to minimize their potential negative impact on the Company's financial results. The Company's Board of Directors has the overall responsibility for the development and oversight of the risk management framework.

4.1 Factors of financial risk

4.1.2 Market risk

The Company has no financial products of any kind in its trading book portfolio and therefore has no exposure to market risk.

4.1.3 Currency Risk

Since all of the balance sheet items of the Company are in the euro currency (transactions exclusively in euro), there is no currency risk.

4.1.4 Credit risk

Since the Company has not started to provide loan products to customers, there is no credit risk. Potential credit risk arising from asset placements (cash) in sight accounts within the Group is assessed as extremely limited.

4.1.5 Liquidity risk

The Company recognises that effective management of liquidity risk contributes significantly to the ability to meet financial obligations and maintain the financial solvency of the organisation. Liquidity levels are at particularly high levels as reflected by the aforementioned ratios (for example Current Assets / Short-term Liabilities) and therefore the risk assumed is assessed as particularly limited.

4.1.6 Operational risk

Operational risk arising from the Company's current non-banking activities is effectively managed through the preparation of the following:

- A full organisational chart with clearly defined responsibilities and reporting lines.
- Statutory Policies (documents) that describe in detail how all the organisation's activities are carried out.

These policies cover the current activities of the Company, those that will arise after the banking licence is obtained and are available in their entirety to the supervisory authorities.

5.PROPERTY AND EQUIPMENT

2022	Buildings	Furniture and other equipment	Right of Use Assets	Total
Cost				
Opening Balance as at 17 June 2022	-	-	-	-
Additions	19,795	61,951	61,580	**143,326**
Balance as at 31 December 2022	**19,795**	**61,951**	**61,580**	**143,326**
Accumulated depreciation				
Opening Balance as at 17 June 2022	-	-	-	-
Depreciation charge	13	1,401	1,998	3,412
Disposals/ Write-offs	-	-	-	-
Balance as at 31 December 2022	**13**	**1,401**	**1,998**	**3,412**
Net Book value as at 31 December 2022	**19,782**	**60,550**	**59,583**	**139,914**

There are no liens registered against the Company's real property. The right of use fixed assets relates to offices and car rentals.

6.INTANGIBLE ASSETS

2022	Software	Total
Cost		
Opening Balance as of 17 June 2022	-	-
Additions	5,057,476	5,057,476
Balance as of 31 December 2022	**5,057,476**	**5,057,476**
Accumulated amortization		
Opening Balance as of 17 June 2022	-	-
Amortization charge	500,003	500,003
Balance as of 31 December 2022	**500,003**	**500,003**
Net Book value as of 31 December 2022	**4,557,473**	**4,557,473**

The software mainly relates to the contribution in kind of the Core Banking System license from the shareholder Natech S.A. with an unamortized value as of 31/12/2022 of EUR 4,557,473 (see note 9 "Share capital"). This software was initially recognised at fair value in the amount of EUR 4,998,439 as determined in the context of the contribution in kind based on the provisions of Law 4548/2018 based on the generally accepted relief from royalty method. The discount rate was 11%. The aforementioned software is amortised over 5 years.

7. DEFERRED TAX ASSETS

A deferred tax asset of EUR 495,314 was recognised in the financial year 2022 on the tax losses of the financial year at a tax rate of 22%. The Company estimates that there will be sufficient tax benefits to offset these tax losses.

8. OTHER RECEIVABLES

Other receivables mainly include a VAT receivable, which will be offset in the near future as the Company will be subject to VAT.

9. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents consist of a sight deposit account with Piraeus Bank in the amount of EUR 18,889,517 as of 31/12/2022.

10. SHARE CAPITAL AND SHARE PREMIUM

The initial share capital of the Company amounted to five million nine hundred and ninety-eight thousand four hundred and thirty-nine euro (€5,998,439) formed i) by cash payment in the amount of one million euro (€1,000,000); and ii) by a contribution in kind of a non-exclusive, perpetual and interminable, non-revocable, worldwide and unlimited licence to use, without payment of fees or royalties, including a two-year maintenance, configuration and updating obligation to any newer regulatory obligations, of the Core Banking System by the shareholder NATECH INTEGRATED INFORMATION TECHNOLOGY SYSTEMS SA for the amount of four million nine hundred and ninety-eight thousand four hundred and thirty-nine euro (€4,998,439), by virtue of the issuance of a total of fifty-nine million nine hundred and eighty-four thousand three hundred and ninety euro (59,984,390) new ordinary registered voting shares with a nominal value of ten cents (€0.10) each.

Following a decision of the Extraordinary General Meeting of the Company held on 14 July 2022, the share capital of the Company was increased by an amount of seven million three hundred and thirty-one thousand four hundred and twenty-six euro (€7,331.426) by cash payment and the issuance of seventy-three million three hundred and fourteen thousand two hundred and sixty (73,314,260) new ordinary registered shares with a nominal value of ten cents (€0.10) each and a share premium of €0.159158314 (i.e. the issue price: 0.259158314 euro / share), the difference between the nominal value and the issue price of a total amount of eleven million six hundred and sixty-eight thousand five hundred and seventy-four euro (€11,668,574) was transferred to the reserve account "Share premium ".

The share capital of the Company as of 31/12/2022 amounts to thirteen million three hundred and twenty-nine thousand eight hundred and sixty-five euro (€13,329,865), divided into one hundred and thirty-three million two hundred and ninety-eight thousand six hundred and fifty (133,298.650) ordinary registered shares with voting rights, with a nominal value of ten cents (€0.10) each, while a share premium has been formed "from the issue of shares above par" of eleven million six hundred and sixty-eight thousand five hundred and seventy-four euro (€11,668,574), fully paid up. The share capital increase costs i.e. a net amount of €36,657 after deducting the relevant tax, are presented as a deduction in share premium.

The share capital of the company consists of ordinary registered shares and is presented in the table below.

The Company does not own any treasury shares as of 31 December 2022.

Share capital	**Natech S.A**	**Piraeus Financial Holding**	**Total**
Cash	1,000,000	7,331,426	8,331,426
Contribution in kind	4,998,439		4,998,439
Total	**5,998,439**	**7,331,426**	**13,329,865**
Number of shares	59,984,390	73,312,260	133,298,650
Percentage of ownership (%)	**45%**	**55%**	

On 19/10/2022, decision under number 56/19-10-2022, with Registration Code Number 3119927, issued by the Agency of the General Commercial Registry, of Ioannina Chamber of Commerce, was entered in the General Commercial Registry, approving the amendment of articles 1, 5 and 24, as well as the codification of the Articles of Association in accordance with Law 4548/2018, of the Societe Anonyme with the new name "SNAPPI SOCIETE ANONYME", the new distinctive title SNAPPI S.A. and with General Commercial Registry number 164679129000, according to the decision of the General Meeting of the shareholders of the company dated 14/07/2022.

On 05/04/2023, decision under number 16/05-04-2023, with Registration Code Number 3542561, issued by the Agency of the General Commercial Registry, of Ioannina Chamber of Commerce, was entered in the General Commercial Registry, approving the amendment of article 1 as well as the codification of the Articles of Association in accordance with Law 4548/2018, of the Societe Anonyme with the new name "SNAPPI SOCIETE ANONYME", the new distinctive title SNAPPI S.A. and with General Commercial Registry number 164679129000, according to the decision of the General Meeting of the shareholders of the company dated 08/03/2023.

11. RETIREMENT AND TERMINATION BENEFIT OBLIGATION

For 2022, the Company adopted IAS 19 and performed an actuarial study for its personnel, with the purpose of calculating the liability as at 31/12/2022 arising from the pension benefits under Law 2112 as amended by Law 4093/12. The Company formulated a provision of EUR 17,462 in the statement of financial position and recognised a corresponding total expense in the statement of comprehensive income.

The following table shows the accounting presentation of the amounts recognised in the financial statements.

	2022
Present value of obligations	17,462
Total obligation recognised in the Statement of Financial position	**17,462**
Service cost	1,597
Recognition of past service cost	15,865
Total expense recognized in Income Statement	**17,462**

The main actuarial assumptions used are as follows:

	31/12/2022
Discount rate	3.86%
Price Inflation	2.60%
Rate of compensation increase	2.00%

The sensitivity analysis, as a percentage change in the liability, on the discount rate and the salary increase is shown in the table below:

Discount rate	Discount rate	Salary increase	Salary increase
0.50%	-0.50%	0.50%	-0.50%
-5.20%	5.50%	5.60%	-5.30%

12. LEASE LIABILITIES

Lease liabilities relate to liabilities for office and transport rentals and are broken down as follows:

	2022
Long-term lease liabilities	
Balance at start of period	-
Period additions	61,580
(-) Transfer to short-term liabilities	(18,967)
Balance at the end of period	**42,613**
Short-term lease liabilities	
Transferred from long-term liabilities	18,967
Financial year interest	132
(-) Financial year payments	(2,435)
Balance at the end of period	**16,665**

13. SHORT-TERM LIABILITIES

The short-term liabilities of the company are analysed as follows:

	31/12/2022
Suppliers	1,011,225
Tax liabilities	72,575
Insurance organizations	58,645
Other liabilities	33,179
Total:	**1,175,624**

The fair value of short-term liabilities is approximately the same as the carrying amount at the reporting date.

14. ADMINISTRATIVE EXPENSES

The Company's administrative expenses are analyzed as follows:

Personnel fees and expenses	439,399
Third party fees and expenses	1,253,524
Third party benefits	23,592
Taxes - Fees	42,727
Miscellaneous expenses	34,054
Amortisation of intangible and tangible assets	503,415
Total	**2,296,710**

Third party fees and expenses mainly include consultancy fees. The personnel employed on 31/12/2022 were 20 employees.

15. CONTINGENT LIABILITIES AND COMMITMENTS

The Company has no contingent liabilities and commitments in relation to banks, other guarantees, and other matters arising in the context of its activities to date. No action has been brought against the Company.

The Company has not been tax audited for fiscal year 2022 and has not formed a corresponding provision due to its loss-making performance in its current first year of operation.

16. EARNINGS/(LOSSES) PER SHARE
Basic earnings/ (losses) per share

Basic earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the parent Company (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Diluted earnings / (losses) per share

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding during the period with the dilutive potential ordinary shares. The Company does not hold shares of this category and so there is no reason to differentiate the diluted to basic earnings /(losses) per share.

	2022
Losses after tax	(1,819,483)
Weighted average number of shares	123,248,777
Losses after tax per share	(0.015)

17. RELATED PARTY TRANSACTIONS
The outstanding balances of the Company's related party transactions are as follows:

2022	ASSETS	LIABILITIES	INCOME	EXPENSES/ PURCHASES
Natech S.A.				41,780
Piraeus Bank	18,889,517	-	-	350
Totals	**18,889,517**	**-**	**-**	**42,130**

The receivables from Piraeus Bank relate to a sight deposit. The expenses and purchases relate mainly to purchases of electronic equipment from Natech.

No remuneration has been paid to the members of the Board of Directors of the Company during the year 2022.

18. AUDIT FEES

The total fees of "Baker Tilly S.A.", statutory auditor of the annual financial statements of the Company, for the year ended 31/12/2022, amounts to EUR 14,300 plus VAT and expenses.

19. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no events subsequent to 31 December 2022 that would have a material impact on the Company's Financial Statements.

Athens, 23 May 2023

CHAIRMAN OF THE BOARD	MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER	THE ACCOUNTANT
MEGALOU I.	LITSIKAKIS N.	VLACHOPOULOS D.	KESTSOGLOU CH. NIKOLAOS
CHRISTOS	DIMITRIOS	ATHANASIOS	ID No. S 151069
ID No. AE 011012	ID No AO 187593	ID No. AB 065970	License No Class A 2794