

Company registration number: 05924907

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**Kion Holdings Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2018**

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**For the year ended 31 December 2018**

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**COMPANY INFORMATION**  
**For the year ended 31 December 2018**

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**The Board of Directors**

Joint Corporate Services Limited  
Stephen William Spencer Norton

**Company registration number**

05924907 (England and Wales)

**Company secretary**

TMF Corporate Administration Services Limited  
8th Floor  
20 Farringdon Street  
London, EC4A 4AB, UK

**Registered office**

8th Floor  
20 Farringdon Street  
London, EC4A 4AB, UK

**Statutory auditors**

Deloitte LLP  
London  
United Kingdom

**Corporate service provider**

TMF Global Services (UK) Limited  
8th Floor  
20 Farringdon Street  
London, EC4A 4AB, UK

**Trustee**

Deutsche Trustee Company Limited  
Winchester House  
1 Great Winchester Street  
London, EC2N 2DB, UK

**Kion Holdings Limited****DIRECTORS' REPORT****For the year ended 31 December 2018**

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The directors present their report and the audited financial statements of Kion Holdings Limited (the "Company") for the year ended 31 December 2018. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. As a small company, the Company is exempt from the requirement to prepare a strategic report.

**PRINCIPAL ACTIVITY**

The principal activity of the Company is that of a holding company to its subsidiary Kion Mortgage Finance PLC (the "Subsidiary" or the "PLC"). The Subsidiary is a special purpose company established in order to issue floating rate loan notes due July 2051, the proceeds from which were used to acquire an interest in a portfolio of Greek property mortgages from Millennium Bank as described in the offering circular dated 7 December 2006 (the "Mortgage Portfolio"). On 28 November 2006, the Subsidiary was issued with a certificate entitling it to do business and on 7 December 2006 the Subsidiary issued €600,000,000 floating rate loan notes (the "notes"). The notes are jointly managed by Deutsche Bank AG London Branch, UBS Limited London and Piraeus Bank S.A. The notes are listed on the Irish Stock Exchange. On 7 December 2006, the Subsidiary acquired from Millennium Bank mortgage receivables at a cost of €599,932,544.

Millennium Bank S.A ("Millennium Bank") was acquired by Piraeus Bank S.A. ("Piraeus Bank") during 2013. Piraeus Bank has taken over all Millennium Bank's responsibilities under the transaction documents and is referred to as the "Originator" for the purposes of these financial statements. In accordance with IFRSs, the Company is considered to be controlled by Piraeus Bank, a bank incorporated in Greece.

**REVIEW OF THE BUSINESS****Results**

The results for the year and the Company's financial position at the year end are shown in these financial statements. The loss before tax for the financial year ending 31 December 2018 was €261 (2017: profit of €236).

**Future developments**

The future performance of the Company depends on the performance of the Mortgage Portfolio and Set-off Portfolio which were acquired by its subsidiary, Kion Mortgage Finance Plc. The directors do not expect there to be any significant change in the Company's principal activity in the foreseeable future.

**Going concern**

As explained in more detail in Note 3 to the financial statements, the directors have undertaken a detailed assessment of the Company's on-going business model and have made enquiries of the management of the Originator. Consequently, the directors believe it is appropriate to prepare these financial statements on the assumption that the Company will be able to continue as a going concern for the foreseeable future.

**Principal risks and uncertainties**

The execution of the Company's strategy are subject to a number of risks. The key financial risks affecting the Company are set out in Note 10 to the financial statements.

On 23 June 2016, the UK electorate voted to leave the European Union. Following this decision and the UK's transition out of the EU, there will be a resulting period of uncertainty for the UK with increased volatility in the financial markets. We have considered this as at the date of signing the financial statements and do not deem this impacts the fair value of assets and liabilities reported at the balance sheet date of 31 December 2018.

**Appointment of auditors**

Pursant to Section 489 of the Companies Act 2006 a resolution to re-appoint Deloitte LLP as auditor for the ensuing year will be proposed at the annual general meeting. Deloitte LLP have expressed their willingness to continue in office as auditor.

**Kion Holdings Limited**  
**DIRECTORS' REPORT (continued)**  
**For the year ended 31 December 2018**

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**Directors**

The directors who served the Company during the year and up to the date of signing the financial statements were as follows:

Joint Corporate Services Limited

Stephen William Spencer Norton

The directors had no material interest in any contract of significance in relation to the business of the Company.

**Third party indemnities**

Third party indemnity provisions for the benefit of directors were in force during the year under review and remain in force as at the date of approval of the annual reports and financial statements. No third party indemnities were enforced for the directors of Kion Holdings Limited of Piraeus Bank SA.

**Subsequent events**

There have been no significant events which occurred after the reporting date.

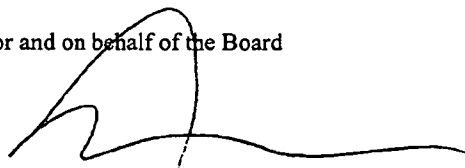
**Political donations**

The Company made no political donations during the financial year under review (2017: nil).

**Dividends**

The directors have not recommended a dividend (2017: nil).

For and on behalf of the Board



Stephen William Spencer Norton (on behalf of Joint Corporate Services Limited)  
Director

3 October 2019

## **Kion Holdings Limited**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

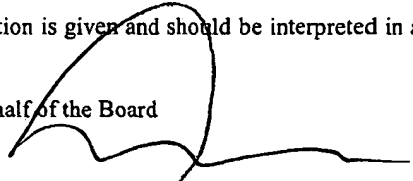
The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418(2) of the Companies Act 2006.

For and on behalf of the Board

  
Stephen William Spencer Norton (on behalf of Joint Corporate Services Limited)  
Director

3 October 2019

**Kion Holdings Limited**  
**Independent auditors' report to the members of Kion Holdings Limited**  
**For the year ended 31 December 2018**

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**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Kion Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable 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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

**Kion Holdings Limited**

**Independent auditors' report to the members of Kion Holdings Limited (continued)**

**For the year ended 31 December 2018**

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**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have 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 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Report on other legal and regulatory requirements**

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Russell Davis (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
3 October 2019



**Kion Holdings Limited**  
**Statement of comprehensive income**  
**For the year ended 31 December 2018**

		<b>Year ended</b>	<b>Year ended</b>
	<b>Note</b>	<b>31 December 2018</b>	<b>31 December 2017</b>
		<b>€</b>	<b>€</b>
Interest expense on loan		(491)	(460)
Foreign exchange gains	8	230	696
<b>(Loss)/ Profit before tax</b>		<b>(261)</b>	<b>236</b>
Taxation	5	-	-
<b>(Loss)/ Profit for the year</b>		<b>(261)</b>	<b>236</b>
<b>Total comprehensive (expense)/ income for the year</b>		<b>(261)</b>	<b>236</b>

There is no other comprehensive income for the year and prior year. All the Company's income is derived from continuing operations.

The notes on pages 13 to 17 form part of these financial statements.

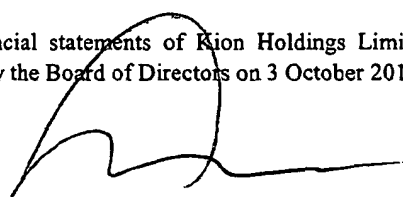
**Kion Holdings Limited**  
**Statement of financial position**  
**As at 31 December 2018**

Company registration number: 05924907

		As at 31 December 2018 €	As at 31 December 2017 €
<b>Non-current assets</b>	<b>Note</b>		
Investment in subsidiary	6	18,545	18,545
<b>Current assets</b>			
Intercompany with subsidiary		1	1
<b>Total current assets</b>		<u>1</u>	<u>1</u>
<b>Total assets</b>		<u><b>18,546</b></u>	<u><b>18,546</b></u>
<b>Equity</b>			
Retained earnings		(2,569)	(2,308)
Share capital	7	<u>1</u>	<u>1</u>
<b>Total equity</b>		<u><b>(2,568)</b></u>	<u><b>(2,307)</b></u>
<b>Non-current liabilities</b>			
Loan from Trustee	8	13,937	14,088
<b>Current Liabilities</b>			
Accrued interest payable	9	7,177	6,765
Corporation tax payable	5	<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u><b>21,114</b></u>	<u><b>20,853</b></u>
<b>Total equity and liabilities</b>		<u><b>18,546</b></u>	<u><b>18,546</b></u>

The notes on pages 13 to 17 form part of these financial statements.

These financial statements of Kion Holdings Limited, company registration number 05924907, on pages 9 to 12 were approved by the Board of Directors on 3 October 2019 and are signed on its behalf by:



Stephen William Spencer Norton (on behalf of Joint Corporate Services Limited)  
Director

**Kion Holdings Limited**  
**Statement of changes in equity**  
**For the year ended 31 December 2018**

	Share capital €	Retained earnings €	Total equity €
Balance as at 1 January 2017	1	(2,544)	(2,543)
Profit for the year and total comprehensive income	-	236	236
Balance as at 31 December 2017	<u>1</u>	<u>(2,308)</u>	<u>(2,307)</u>
Balance as at 1 January 2018	1	(2,308)	(2,307)
Profit for the year and total comprehensive income	-	(261)	(261)
Balance as at 31 December 2018	<u><u>1</u></u>	<u><u>(2,569)</u></u>	<u><u>(2,568)</u></u>

The notes on pages 13 to 17 form part of these financial statements.

**Kion Holdings Limited**  
**Statement of cash flows**  
**For the year ended 31 December 2018**

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
<b>Cash flows from operating activities</b>		
(Loss)/ Profit before tax for the year	(261)	236
<i>Adjustments for:</i>		
Decrease in trade and other payables	261	(236)
<b>Net cash flow from operating activities</b>	<u>-</u>	<u>-</u>
<b>Net cash from investing activities</b>	<u>-</u>	<u>-</u>
<b>Net cash from in financing activities</b>	<u>-</u>	<u>-</u>
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
<b>Cash and cash equivalents at end of year</b>	<u><u>-</u></u>	<u><u>-</u></u>

The notes on pages 13 to 17 form part of these financial statements.

## **1. GENERAL INFORMATION**

Kion Holdings Limited is a limited liability company limited by shares incorporated and domiciled in England and Wales. The principal activity of the Company is that of a special purpose entity set up as a holding company to facilitate the securitisation of a portfolio of residential mortgage loans (the "Mortgage Portfolio") originated by Piraeus Bank S.A. ("the 'Originator'"), with borrowers in Greece.

## **2. BASIS OF PREPARATION**

The principal accounting policies applied in the preparation of these financial statements are set out below. These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared on a going concern basis and under the historical cost convention.

In accordance with Section 400(1) of the Companies Act 2006, group financial statements have not been prepared on the grounds that the ultimate parent undertaking, Piraeus Bank, prepares consolidated financial statements, which are publicly available from [www.piraeusbankgroup.com/en/investors/financials/financial-statements](http://www.piraeusbankgroup.com/en/investors/financials/financial-statements). The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management (for this Company, the directors) to exercise its judgement in the process of applying the Company's accounting policies.

### **Functional and presentation currency**

The Company mainly transacts in Euros ("€") and therefore, the Euro is its functional and presentational currency.

## **3. PRINCIPAL ACCOUNTING POLICIES**

### **Going concern**

The annual financial statements have been prepared on a going concern basis, which the Board of the Directors considered as appropriate, and have undertaken an assessment of the Company's ongoing business model.

The financial position of the Company, its cash flows and liquidity position are set out in the financial statements.

At the balance sheet date the Company is showing a net position of €(2,568) (2017: €(2,307)). The liquidity position of the Company is dependent on dividend receipts from the undertakings investments which are ultimately dependent on the underlying receivables to the deemed loan from the Originator. The loans are serviced by Piraeus Bank and therefore there is a dependency on the Originator passing on related cash flows.

After reviewing the relevant information including the cash manager and servicer reports of Kion Mortgage Finance Plc. The directors of the Company have reasonable expectation that the undertakings and the Company will continue in operational existence for the foreseeable future, therefore the financial statements have been prepared on a going concern basis.

### **Standards affecting presentation and disclosure**

A summary of new standards, amendments to standards and interpretations of existing standards which are expected to affect the presentation and disclosure of financial statements are detailed below:

#### **- IFRS 16: Leases**

IFRS 16 specifies the recognition, measurement, presentation and disclosure requirements for leases. The standard is effective for accounting periods beginning on or after 1 January 2019. The directors have assessed this standard and are of the opinion that there will be no associated impact, since the Company is not a party to any contractual lease obligations.

#### **- IFRS 15: Revenue from Contracts with Customers**

IFRS 15 was issued in May 2014 and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled to in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. There has been no associated impact of this standard on the Company or for Kion Mortgage Finance Plc.

### **3. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **Standards affecting presentation and disclosure (continued)**

##### **- IFRS 9: Financial Instruments**

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in July 2014 and is effective for annual periods beginning on or after 1 January 2018. The subsidiary company, Kion Mortgage Finance Plc has adopted this standard in the financial statements for the year ending 31 December 2018.

The implementation of IFRS 9 impacted the gross deemed loan to the Originator with a decrease of €10,129. However, this has no impact on the total equity as the increase in the impairment provision on the underlying Mortgage Portfolio was offset by deferred purchase consideration (credit enhancement) available within the structure. Accordingly, no provision was recognised against the deemed loan to the Originator. There has been no change in the carrying amount of financial instruments on the basis of their measurement categories.

The directors consider that there are no new or revised standards relevant to the Company which should be adopted and reported in these financial statements. The directors do not expect the above to have a material impact on the Company.

#### **Investments**

Investments are stated at cost less any provision for impairment and comprise the Company's shareholdings in the PLC. The Company reviews for impairment indicators at least annually or when events or changes in economic circumstances indicate that impairment may have taken place. The impairment review is performed by comparing the carrying value of the investment with recoverable amounts.

#### **Taxation**

The tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are non taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted as at the reporting date.

#### **Loan from Trustee**

The loan is stated at historical cost.

#### **Intercompany with subsidiary**

Intercompany with subsidiary is stated at historical cost and recognised in current assets.

#### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

#### **Consolidation**

In accordance with Section 400 of the Companies Act 2006, group financial statements have not been prepared as the Company is a wholly owned subsidiary of Piraeus Bank S.A, which prepares consolidated financial statements; these are publicly available at [www.piraeusbankgroup.com/en/investors/financials/financial-statements](http://www.piraeusbankgroup.com/en/investors/financials/financial-statements).

#### **Segmental Analysis**

The Company's operations are carried out in Greece only. Its results and net assets are derived solely from its acquisition of the Loans, so therefore the directors only report one business and one geographic segment.

#### **Critical accounting judgements and sources of estimation and uncertainty**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of these assets and liabilities that are readily not apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Impairment losses of financial assets**

The company, when performing impairment tests on the investment held in the Kion Mortgage Finance Plc, takes into account the performance of the subsidiary which is based on the deemed loan to the Originator and the performance of the Originator. The Originator in turn analyses its loans and advances to customers, makes judgements and estimates regarding the amount and timing of future cash flows. Given that these judgements are affected by a number of factors such as the financial position of the borrower, the net realisable value of any collateral or the historical loss ratios per portfolio, actual results may differ from those concluded.

**4. OTHER COSTS**

The Company has no employees (2017: zero). The auditors' remuneration for the audit of the statutory financial statements of the Company for 2018 was €4,800 (2017: €4,800) and was borne by the PLC. The non-audit fees for tax services provided for 2018 was £2,400 (2017: £2,400) and was also borne by the PLC. The directors received no remuneration during the year (2017: £nil) as their services to the Company are deemed to be performed as part of their services to the PLC.

**5. TAXATION****(a) Analysis of tax charge for the year:**

	Year ended 31 December 2018	Year ended 31 December 2017
	€	€
<b>Current tax:</b>		
UK corporation tax payment*	-	-
	-	-

The effective tax rate for the year is 19% (2017: 19.25%) the rate of corporation tax in the UK for small companies.

**(b) Reconciliation of effective tax rate**

	Year ended 31 December 2018	Year ended 31 December 2017
	€	€
Profit before tax	(261)	236
Tax at the UK corporation tax rate of 19% (2017: 19.25%)	(50)	45
<i>Adjust for tax effect of:</i>		
Non taxable foreign exchange gain	50	(45)
Adjustment due to the losses carried forward	-	-
<b>Total tax charge for the financial year*</b>	-	-

\* The Company's corporation tax liability is paid by Kion Mortgage Loan Finance PLC. Therefore, there is no cash movement in relation to this payable.

The foreign exchange gain of €4,462 is not taxable as a result of the disregard regulations (reg 3, SI 2004/3256).

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

**6. INVESTMENT IN SUBSIDIARY**

	Year ended 31 December 2018	Year ended 31 December 2017
	€	€
Shares in group undertakings	18,545	18,545

The Company has the following interests in group undertakings:

Group undertakings	Country of incorporation	Class of shares	Holding	Registered office
Kion Mortgage Finance PLC	United Kingdom	Ordinary	100	5th Floor, 6 St Andrew St., London, EC4A 3AE

The address of the registered office is the same as address of the Company, shown on page 3.

The principal activity of these undertakings for the year was as follows:

Group undertakings	Principal activity
Kion Mortgage Finance PLC	The Company is a special purpose entity set up to acquire a portfolio of residential mortgage loans in Greece originated by Millennium Bank and financed primarily through the issue of €600,000,000 residential mortgage backed floating rate notes due July 2051 (the "notes" or the "Liabilities evidenced by paper"). Millennium Bank was acquired by Piraeus Bank during 2013. Piraeus Bank has taken over all Millennium Bank's responsibilities towards the Company and is referred to as the "Originator" for the purpose of these financial statements.

**7. SHARE CAPITAL**

	Year ended 31 December 2018	Year ended 31 December 2017
	€	€
Issued share capital		
1 fully paid ordinary shares at £1 each	1	1

The issued share capital is reflected in the financial statements based on the prevailing exchange rate at the date of issuance.

**8. NON-CURRENT LIABILITIES**

	31 December 2018	31 December 2017
	€	€
Loan from Trustee	13,937	14,088

The loan facility of £12,500.50, from TMF Trustee Limited is made available for the entire duration for which the Company is in existence. The loan was initially recognised at €18,545 based on the prevailing foreign exchange rate of 1.483541 when the loan was granted. The foreign exchange rate at 31 December 2018 reduced to £/€ 1.1149 (2017: 1.127) therefore reducing the liability to €13,937.



**Kion Holdings Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2018**

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**9. CURRENT LIABILITIES**

	<b>31 December 2018</b>	<b>31 December 2017</b>
	<b>€</b>	<b>€</b>
Accrued interest payable	<u>7,177</u>	<u>6,765</u>

The accrued interest payable relates to interest in respect of the loan of £12,500.50 is from TMF Trustee Limited and is payable on demand.

**10. FINANCIAL RISK MANAGEMENT**

**Liquidity risk**

The Company's responsibility to make cash payments is limited to the funds available and accordingly, the Company is insulated from liquidity risk as experienced in the financial markets during the year.

**Currency risk**

With the minor exception of the Company's UK domiciled sterling cash deposit accounts and the loan from Trustee Limited, the remainder of the Company's assets and liabilities are denominated in Euros ("€"), and therefore currently there is negligible foreign currency risk.

**Fair value**

There is no significant difference between the carrying amount and the fair value of the Company's financial instruments.

**Capital management**

The Company considers its capital to comprise its ordinary share capital and its accumulated retained earnings. There have been no changes in what the Company considers to be its capital since the previous year. The Company is not subject to any external capital requirements. The Company manages its ordinary share capital in order that there is sufficient capital in order to comply with the minimum requirement under the Companies Act 2006.

**11. RELATED PARTY TRANSACTIONS**

Transactions and balances with the PLC are identified throughout the financial statements. The Company has no transactions with the Originator.

**12. ULTIMATE CONTROLLING PARTY**

The shares in the Company are held by TMF Trustee Limited under Declarations of Trust for charitable purposes. Piraeus Bank has no direct ownership interest in the Company. However, in accordance with IFRS, the Company's ultimate controlling party is considered to be Piraeus Bank and therefore the results of the Company are also included in the consolidated financial statements of Piraeus Bank for the year ended 31 December 2018. The consolidated financial statements of Piraeus Bank can be obtained at [www.piraeusbankgroup.com/en/investors/financials/financial-statements](http://www.piraeusbankgroup.com/en/investors/financials/financial-statements).

**13. EVENTS AFTER THE REPORTING PERIOD**

There were no significant events that occurred after the reporting period.