

## APPENDIX 1: GROUP AUDIT INSTRUCTIONS ACKNOWLEDGEMENT

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova
	<b>Date</b> 09.03.2015

### I. Identification

<b>Group name:</b>	SFAKIANAKIS S.A
<b>Year-end:</b>	31/12/2014
<b>Component name(s):</b>	MIRKAT OOD
<b>Component materiality:</b>	
<b>Scope (type) of work:</b>	Audit

### II. Key members of component engagement team

Role	Name	Phone	Email
Engagement partner	Lilia Nikolova	035929681921	Lilia_Nikolova2004@yahoo.com]
Other partner	[Insert]	[Insert]	[Insert]
Engagement manager	[Insert]	[Insert]	[Insert]
Tax services partner	[Insert]	[Insert]	[Insert]
IT partner	[Insert]	[Insert]	[Insert]

### III. Regulatory environment in which the component auditor operates

Does an independent oversight body actively oversee the auditing profession in your country and monitor the quality of your work as auditor?	[Insert Yes/No]
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### IV. Acknowledgement

I acknowledge receipt of your group audit instructions including Appendices for the group audit work on [insert group name] to be performed on the component(s) listed above. In addition, we confirm to you the following in connection with the group audit:

A. <b>bility to comply with the instructions</b>	Initials
1. acknowledge that I have read the group audit instructions.	Yes
2. confirm that I am the engagement partner who is responsible for the work to be performed in relation to the component(s) listed above.	Yes
3. confirm that I understand the audit scope and instructions for the component(s) I am responsible for.	Yes

	Initials
<p>4. confirm that our engagement team possesses the necessary skills to perform the work on the special purpose financial information of this (these) component(s), has the appropriate experience and an appropriate understanding of the IAS (International Auditing Standards) and IFRS (International Financial Reporting Standards) that is sufficient to fulfill our responsibilities in the audit of the consolidated financial statements.</p>	Yes
<p>5. confirm that I have read the dates set out in the timetable in Section 4 and that I do not expect any problems in complying with your reporting deadlines, requirements and communication protocols.</p>	Yes
<p>6. understand that the special purpose financial information of the component(s) for which I am responsible will be included in the consolidated financial statements of SFAKIANAKIS S.A and that you intend to evaluate and, if considered appropriate, use our work for the audit of the consolidated financial statements. I also acknowledge that you may consider it necessary to be involved in the work you have requested us to perform.</p>	Yes
<p>7. agree that we will cooperate with you in connection with the audit of the consolidated financial statements, including enabling the involvement in our audit as you consider it to be appropriate, and providing you access to audit documentation prepared in connection with your audit of the consolidated financial statements upon your request.</p>	Yes
<p>8. confirm that in addition to the procedures required for group audit purposes, I will be providing component statutory audit opinions for MIRKAT OOD.</p>	Yes

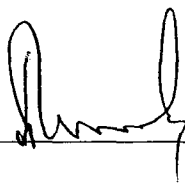
<b>DELETE IF NOT NEEDED</b> <b>B.</b> <b>confirmation regarding the requirements of Article 27c of the Directive 2006/43/EC of the European Parliament*) (Initial as applicable)</b>	Initials
Auditor from EU, EEA or Switzerland:  We are an auditor or audit firm from a country which is a member state of the European Union (EU) or treaty nation in the European Economic Area (EEA) or Switzerland. Therefore, I confirm to grant access to the audit work papers for our audit of the component(s) listed above located inside of EU/EEA/Switzerland.	Yes

**C. Confirmation of ethical and independence requirements**

As of the date of this memorandum and with respect to the Group, comprising of the parent company, its subsidiaries and associates, I confirm that we understand and will comply with the ethical requirements, including independence requirements, described in the group audit instructions.

I also confirm that:

- I have read and am familiar with relevant independence requirements described in the group audit instructions.
- I am not aware of any circumstances that may threaten, or may appear to threaten, our independence.
- I will continue to take steps and monitor our services to maintain our continued compliance with these requirements at least until completion of the group audit.
- It is my responsibility to inform you of any changes to the above representations that could occur during the course of our work on the special purpose financial information of the component(s) for which I am responsible.
- As component auditor within the network of the group auditor, we will obtain pre-approval from the group engagement partner for all proposed audit and non-audit services to be provided by us to the Group\*.



Signed

Lilia Nikolova

Component engagement partner name (please print)

Lilia Nikolova

Office (please print)

## APPENDIX 2: PLANNING MEMORANDUM

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos	
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova	<b>Date</b> 09.03.2015

### I. Identification

<b>Group name:</b>	SFAKIANAKIS S.A
<b>Year-end:</b>	31/12/2014
<b>Component name(s):</b>	MIRKAT OOD
<b>Component materiality:</b>	
<b>Scope (type) of work:</b>	Audit

### II. Planning memorandum

#### 1. Understanding the entity and its environment

*The general activity of the component is trading with new and used motor vehicles. Services Rental car / operating leasing /.*

*General economic conditions observed in the last years are reduction of the market conditions and respectively reduction of the purchasing availability of the potential buyers.*

*As a result of the described economic conditions the management provide its effort to re-search in preliminary the purchasing availability of the potential clients in order to pre-vent future non-collecting payments.*

*Due the lower direct sales the management has changed the strategy and making efforts to increase the volume the number of contracts for operative leasing deals (renting).*

#### 2. Accounting Policies

*In general the significant accounting and financial reporting matter remain the same as the applicable for the previous year.*

*Applicable accounting standards IFRS.*

#### 3. Significant unusual transactions/ events

*None*

#### 4. Discussion among the engagement team

*None*

#### 5. Overall assessment of engagement risk

*Medium*

**6. Significant risks of material misstatement identified**

Significant risk of material misstatement*	Related account balance(s) class of transaction(s) or disclosure(s)	Assertion(s)	Planned response
None			

Footnote

\*) If you have determined that there is no significant risk of material misstatement due to fraud related to revenue recognition, document your reasons supporting your determination.

**7. Non-applicable significant risks of material misstatement identified by group engagement team**

The following risks were identified by you as relevant to our engagement, subject to our review for applicability. Having performed our risk assessment, we believe that the following significant risks of material misstatement are not applicable to our engagement:

Significant risk of material misstatement	Planned response	Reason for non-applicability
None		

**8. Response to risks identified which are not significant risks**

Brief description of types of risk	Summary of planned response
Stock/Money/Receivables/Payables	Inventory performed

**9. Reliance on internal controls**

*No reliance on internal controls*

**10. Using the work of other auditors**

*None.*

**11. Involvement of external experts**

*None]*

Signed



Lilia Nikolova

Component engagement partner name (please print)

Lilia Nikolova

Office (please print)

## APPENDIX 3: INTERIM MEMORANDUM

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos	
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova	<b>Date</b> 09.03.2015

### I. Identification

<b>Group name:</b>	SFAKIANAKIS S.A
<b>Year-end:</b>	31/12/2014
<b>Component name(s):</b>	MIRKAT OOD
<b>Component materiality:</b>	
<b>Scope (type) of work:</b>	Audit

### II. Interim memorandum arising on the work performed

According to our interim audit procedures performed the following issues of significance to the Group (based on component materiality) have come to our attention:

Significant risks of material misstatement not previously identified	Discussed** [Yes/No]
None	No

Critical accounting and auditing issues not previously identified	Discussed** [Yes/No]
None	No

Non-compliance with significant accounting policies	Discussed** [Yes/No]
None	No

Related parties not previously identified	Discussed** [Yes/No]
None	No

Events or conditions that may cast significant doubt on the component's ability to continue as a going concern***	Discussed** [Yes/No]
None	No

Material offences of the legal representatives or employees of the group against the law or the component's articles of association	Discussed** [Yes/No]
None	No

Information that indicates the existence of fraud	Discussed** [Yes/No]
None	No

Identified significant deficiencies in internal control	Discussed** [Yes/No]
None	No

Significant unusual transactions/events	Discussed** [Yes/No]
None	No

Other issues with material impact on the consolidated financial statements	Discussed** [Yes/No]
None	No

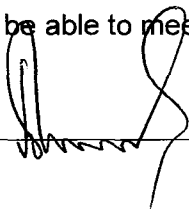
Footnotes:

- \*) Insert, if applicable, a description of the nature, the possible effects on the reporting and proposed procedures to address it by the component engagement team or group engagement team (including any deadlines)
- \*\*) Discussed with management [Yes/No]
- \*\*\*) Specify whether a letter of support is required.

With regard to our reporting we expect:

to issue an unqualified opinion on the special purpose financial information of MIRKAT OOD by the date specified in your audit instructions, [subject to the satisfactory resolution of the following matters:]

- that the management of MIRKAT OOD will be able to meet the deadlines regarding the preparation of the financial information, and
- that we will be able to meet the deadlines for our pending reporting to you.

Signed 

Lilia Nikolova

Component engagement partner name (please print)

Lilia Nikolova

Office (please print)

## APPENDIX 4: COMPLETION MEMORANDUM

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos	
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova	<b>Date</b> 09.03.2015

### I. Identification

<b>Group name:</b>	SFAKIANAKIS S.A
<b>Year-end:</b>	31/12/2014
<b>Component name(s):</b>	MIRKAT OOD
<b>Component materiality:</b>	
<b>Scope (type) of work:</b>	Audit

### II. Completion memorandum

*Note to the preparer: The purpose of this memorandum is to focus on important issues and attention should be paid to avoid routine, non-critical or immaterial items. The section should include clear and concise summaries of the matters covered and their impact on the special purposes financial information of the component and the consolidated financial statements.*

*The memorandum should deal with all matters listed below and should be completed, as appropriate on separate schedules. Where there is nothing to report, a comment to that effect should be included.*

#### 1. Business

##### 1.1. Summary of the business

*Trading, leasing and providing renting of new and used vehicles. Trading activity with spare parts for motor vehicles.*

##### 1.2. Significant changes in the entity and its environment

*None*

#### 2. Summary of [audit/review] approach

*Audit approach:*

- control has been performed of the purchasing and sales of goods;*
- control has been performed of the inventories and money;*
- control has been performed over the intra group deals and balances*
- control has been performed of receivables and payables*
- control has been performed of incomes and expenses*



### 3. Financial performance and position

#### 3.1. Income statement

Income statement Line item	Current-period balance	Prior-period balance	Change abs.	Change %
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]

None

#### 3.2. Statement of financial position

Statement of financial position line item	Current-period balance	Prior-period balance	Change abs.	Change %
[Insert]	[Insert]	[Insert]	[Insert]	[Insert]

• None significant changes are observed in the balance.

### 4. Summary of significant risks of material misstatement identified

Significant risk of material misstatement *	Account balance(s) class(es) of transaction or disclosure(s) affected	Procedures performed	Risk addressed [Yes/No]
No	No	No	No

\* Illustration should include all significant risks identified during planning (i.e. during the risk assessment process) and any further significant risks of material misstatement noted during testing (i.e. during the further procedures).

### 5. Accounting policies and disclosures

According to IFRS

### 6. Summary of going concern review including conclusion

MIRKAT OOD is a going concern that will continue to operate the next twelve months.

### 7. Significant matters for communication to those charged with governance and/or management of the Group

None

### 8. Taxation

• Tax compliance

### 9. Control environment

None

**10. Issues relating to fraud and compliance with legislation and regulations**

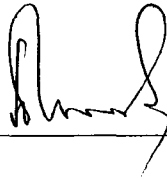
*Not established frauds.*

*Compliance with the regulatory and legislative norms.*

**11. Other matters of significance to the Group**

None]

This document has been prepared solely for the purpose of communicating certain information to the auditors of the group, for their understanding of the subsidiary's accounts which have been [audited/reviewed], according to the procedures set forth in the audit instructions, and which are being included in the consolidated financial statements. This document does not include an opinion on the accounts of the component(s).



Signed

Lilia Nikolova

Component engagement partner name (please print)

Lilia Nikolova

Office (please print)

## APPENDIX 5A: Summary of Unadjusted Misstatements

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos	
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova	
<b>Group name:</b> SFAKIANAKIS S.A	<b>Year-end:</b> 31/12/2014	<b>Date</b> 09.03.2015
<b>Component name(s):</b> MIRKAT OOD	<b>Component materiality:</b> [Insert component materiality]	<b>AMRT:</b> [Insert AMRT]

Description of misstatement	Statement of financial position		Income statement		Tax effect	
	Debit	Credit	Debit	Credit	Tax base	Tax
Misstatement in the special purpose financial information	0	0	0	0	0	0
Incorrect / missing disclosure in the special purpose financial information	0	0	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Tax effect (tax rate [insert] %)</b>						

Signed \_\_\_\_\_

Lilia Nikolova

Component engagement partner name (please print) \_\_\_\_\_

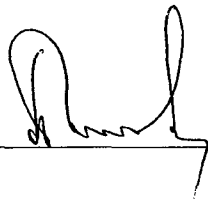
Lilia Nikolova

Office (please print) \_\_\_\_\_

## APPENDIX 5B: Summary of adjusted Misstatements

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos	
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova	
<b>Group name:</b> SFAKIANAKIS S.A	<b>Year-end:</b> 31/12/2014	<b>Date</b> 09.03.2015
<b>Component name(s):</b> MIRKAT OOD	<b>Component materiality:</b> [Insert component materiality]	<b>AMRT:</b> [Insert AMRT]

Description of misstatement	Statement of financial position		Income statement	
	Debit	Credit	Debit	Credit
Misstatement in the special purpose financial information	0	0	0	0
Incorrect / missing disclosure in the special purpose financial information	0	0	0	0
<b>Total:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



\_\_\_\_\_  
Signed

Lilia Nikolova

\_\_\_\_\_  
Component engagement partner name (please print)

Lilia Nikolova

\_\_\_\_\_  
Office (please print)

## APPENDIX 5C: MATERIALITY

### Final Component Materiality

SOL S.A Certified public Accountants-Auditors will audit the (consolidated) financial statements (reporting package) of MIRKAT OOD for the year ending 31 December 2014, and have been asked to furnish you with the following information, because you will express an opinion on the consolidated financial statements of SFAKIANAKIS SA and subsidiary companies, one of which is SFAKIANAKIS SA

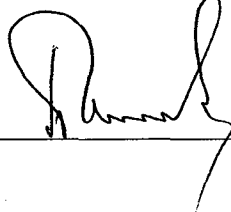
As auditors of SFAKIANAKIS SA we plan to apply the following Component Materiality for purposes of the group audit (reporting package):

Benchmark for Component Materiality: (total sales) EUR (in thousands)	
Component Materiality:	2.171 EUR (in thousands)
Component Performance Materiality:	1.302 EUR (in thousands)
Audit Misstatement Posting Threshold:	22 EUR (in thousands)

We have applied the following percentages of the amount of the benchmark/materiality:

Component Materiality:	1% of total sales
Component Performance Materiality:	60% component materiality
Audit Misstatement Posting Threshold:	1% component materiality

According to "Instruction Letter SFAKIANAKIS SA 2014" in order to properly assess the impact of audit misstatements on a consolidated basis, a schedule of any audit misstatements identified during the course of the audit that are greater than or equal to EUR 22.000 € should be included individually.



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Signed

Lilia Nikolova

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Component engagement partner name (please print)

Lilia Nikolova

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Office (please print)

## APPENDIX 6: MANAGEMENT LETTER

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova
	<b>Date</b> 09.03.2015

### I. Identification

<b>Group name:</b>	SFAKIANAKIS S.A
<b>Year-end:</b>	31/12/2014
<b>Component name(s):</b>	MIRKAT OOD
<b>Scope (type) of work:</b>	Audit

### II. Management Letter

In accordance with our normal practice, we would like to draw your attention to certain matters relating to internal controls and to certain other matters which we identified during our work performed in relation to the special purpose financial information of [insert component name(s)] as of and for the year ended [insert year end], which we have discussed with component management on [insert date]:

#### I. Deficiencies

Item/Area:	No	Communicated to those charged with governance: [Yes/No]
Description:	No	
Recommendation:	No	
Management comments: [Insert]		

#### II. Efficiency Recommendations

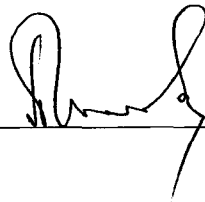
Item/Area:	[Insert]
Description:	[Insert]
Recommendation:	[Insert]
Management comments: [Insert]	

**III. Business issues**

Item/Area:	[Insert]
Description:	[Insert]
Recommendation:	[Insert]
Management comments:	[Insert]

**IV. Update on management letter points (deficiencies) from prior audits**

Item/Area:	No	Resolved? [Yes/No]
Description:	No	
Recommendation:	No	
Management comments:	[Insert]	
Resolution:	[Insert]	



Signed

Lilia Nikolova

Component engagement partner name (please print)

Lilia Nikolova

Office (please print)

## APPENDIX 7: FINAL CONFIRMATION

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos	
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova	<b>Date</b> 09.03.2015

### I. Identification

<b>Group name:</b>	SFAKIANAKIS S.A
<b>Year-end:</b>	31/12/2014
<b>Component name(s):</b>	MIRKAT OOD
<b>Scope (type) of work:</b>	Audit

### II. Compliance with ethical requirements

With respect to the Group, comprising of the parent company, its subsidiaries and affiliates, we confirm that for the period covered by the Group Audit and through the date of this confirmation, we have complied with the relevant ethical requirements, including independence requirements, described in your group audit instructions. We confirm that we:

- Have been independent auditors within the meaning of the independence rules referred to above,
- Are not aware of any circumstances that have threatened, or appeared to threaten, our independence,
- Will continue to take steps and monitor our services to maintain our continued compliance with relevant ethical requirements, including independence requirements, at least until completion of the group audit,

### III. Compliance with audit documentation requirements

We confirm that we will complete the administrative process of assembling our documentation prepared for purposes of the audit of the consolidated financial statements by the audit file assembly date and will comply with the documentation retention requirements described in your group audit instructions.

Signed

Lilia Nikolova

Component engagement partner name (please print)

Lilia Nikolova

Office (please print)



## APPENDIX 8: SUBSEQUENT EVENTS MEMORANDUM

<b>To:</b> SOL S.A CERTIFIED PUBLIC ACCOUNTANTS- AUDITORS,	<b>Office:</b> Evangelinos Konstantinos	
<b>From:</b> Lilia Nikolova	<b>Office:</b> Lilia Nikolova	<b>Date</b> 09.03.2015

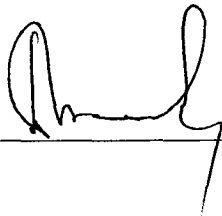
### I. Identification

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<b>Component name(s):</b>	MIRKAT OOD
<b>Scope (type) of work:</b>	Audit

### II. Subsequent events

In accordance with your group audit instructions, we report on the procedures we performed in respect of subsequent events relation to the special purpose financial information of MIRKAT OOD as of and for the year ended 31/12/2014:

1. We have performed, to the date of this memorandum, subsequent events procedures and other audit procedures of the instructions, covering transactions, operations and corporate minutes from the date of our component auditor's report and completion memorandum.
2. In the course of performing those procedures, no material subsequent events or transactions have come to our attention or adjustments have been discovered that should be considered by you, based on the assigned component materiality, in reporting on the consolidated financial statements of MIRKAT OOD as of and for the year ended 31/12/2014. Additionally, the conclusion expressed by us in the auditor's report and completion memorandum requires no change or update as of today's date.



Signed

Lilia Nikolova

Component engagement partner name (please print)

Lilia Nikolova

Office (please print)