

**TRANSPARENCY REPORT OF THE FISCAL  
YEAR 2020**

**OF  
ORGANIZATION OF INTELLECTUAL RIGHTS COOPERATIVE  
MANAGEMENT << AUTODIA >>  
COOPERATIVE LTD**

**«Autodia – Cooperative Ltd»  
3 Korai str, Z.C. 10564, Athens  
VAT Number 999538617**

**autodia**  
**ΑΥΤΟΔΙΑΧΕΙΡΙΣΗ**

Athens,  
June 2021

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## 1. GENERAL INFORMATION

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**FINANCIAL STATEMENTS – BALANCE SHEET DATED 31/12/2020  
OF THE ORGANIZATION OF INTELLECTUAL RIGHTS COOPERATIVE MANAGEMENT  
<< AUTODIA >> COOPERATIVE LTD.**

### 1.1 Balance sheet contents

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Statement of Financial position 31/12/2020

Income statement for the period 1 January to 31 December 2020

Statement of Cash Flows

Notes to the financial statements 31 December 2020

1. Company related information (par. 3 art. 29 L.4308/2014)
2. Statement of the governing body (paragraph 3 part 8 art. 29 L.4308/2014)
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10. Financial statements lay-out (par. 34 art. 29 L.4308/2014)
11. Implementation of “True and Fair” View of Financial Statements and additional information for wider understanding

**"AUTODIA"**  
**CO-OPERATIVE LTD**  
**ORGANIZATION OF INTELLECTUAL RIGHTS**  
**COOPERATIVE MANAGEMENT**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

**In accordance with Greek Accounting Standards Law. 4308/2014 (G.A.S)**

It is verified that the attached financial statements for the fiscal year 2020 have been approved by the Board of Directors of collective management organization of intellectual rights << Autodia>> Cooperative Ltd on 8/6/2021.


Head Office: 3 Korai str, Z.C. 10564, Athens

Athens, 8/6/2021

PRESIDENT OF B.O. D

MEMBER OF B.O.D.

ACCOUNTANT



ANTIPAS NIKOLAOS

ID Number AK649577



MINOS MAMAGAKIS

ID Number AO 076719



GEORGIA

MOUMOURI

ID Number AE 152738

License Number OEE 74263

A' Class

**" AUTODIA "**  
**CO-OPERATIVE LTD**  
**ORGANIZATION OF INTELLECTUAL RIGHTS**  
**COOPERATIVE MANAGEMENT**

**3 Korai str, Z.C. 10564 Athens**

**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

**Year-end period 1st January 2020 to 31st December 2020**

**In accordance with Greek Accounting Standards Law. 4308/2014 (G.A.S)**

**autodia**  
**ΑΥΤΟΔΙΑΧΕΙΡΙΣΗ**

**Statement of Financial position of 31/12/2020**

**"AUTODIA"**

**ORGANIZATION OF INTELLECTUAL RIGHTS COOPERATIVE MANAGEMENT  
COOPERATIVE LTD**

	<u>Note</u>	<u>2020</u>	<u>2019</u>
<b><u>Non-current assets</u></b>			
<b>Tangible assets</b>			
Fixed Assets	7.1	1.141,95	1.737,74
Other equipment	7.1	66.508,08	83.468,41
<b>Total</b>		<b>67.650,03</b>	<b>85.206,15</b>
<b>Intangible assets</b>			
Other intangible assets	7.1	446.195,29	351.855,44
<b>Total</b>		<b>446.195,29</b>	<b>351.855,44</b>
<b>Prepayments and other non-current</b>		6.443,00	6.443,00
<b>Financial Assets</b>			
Loans and receivables		25.000,00	25.000,00
<b>Total</b>		<b>25.000,00</b>	<b>25.000,00</b>
<b>Total Non-current assets</b>		<b>545.288,32</b>	<b>468.504,59</b>
<b><u>Current assets</u></b>			
<b>Current assets</b>			
Trade receivables	7.2	2.271.066,93	1.820.513,17
Accrued income	7.4	3.404.521,94	3.041.274,15
Other receivables		108.048,43	101.747,46
Prepaid expenses	7.4	4.154,46	4.149,83
Cash and equivalents		1.984.795,87	954.773,77
<b>Total</b>		<b>7.772.587,63</b>	<b>5.922.458,38</b>
<b>Total current assets</b>		<b>7.772.587,63</b>	<b>5.922.458,38</b>
<b>Total assets</b>		<b>8.317.875,95</b>	<b>6.390.962,97</b>
<b><u>Equity</u></b>			
<b>Share Capital Paid</b>			
Cooperative shares		23.538,70	19.404,85
<b>Total</b>		<b>23.538,70</b>	<b>19.404,85</b>
<b>Reserves and retained earnings</b>			
Reserves		5.500,00	5.500,00
Retained earnings		(6.191,85)	(6.191,85)
<b>Total</b>		<b>(691,85)</b>	<b>(691,85)</b>
<b>Total Equity</b>		<b>22.846,85</b>	<b>18.713,00</b>
<b><u>Liabilities</u></b>			
<b>Non-current liabilities</b>			
Other long term liabilities	6 & 7.3	571.678,14	693.020,07
<b>Total</b>		<b>571.678,14</b>	<b>693.020,07</b>
<b>Current liabilities</b>			
Short term portion of other long term	7.3	200.000,00	200.000,00
Accounts payable		1.070.634,61	425.016,86
Income tax		-	-
Other taxes and levies due		919.985,18	595.157,89
Social security		61.747,45	73.247,52
Other current liabilities		198.345,72	499.148,66
Deferred income		2.719,67	19.959,78
Accrued expenses	7.4	5.269.918,33	3.866.699,19
<b>Total</b>		<b>7.723.350,96</b>	<b>5.679.229,90</b>
<b>Total liabilities</b>		<b>8.295.029,10</b>	<b>6.372.249,97</b>
<b>Total equity and liabilities</b>		<b>8.317.875,95</b>	<b>6.390.962,97</b>

## Income statement for the period 1 January to 31 December 2020

		<u>Note</u>	<u>2020</u>	<u>2019</u>
	Turnover	7.5	5.319.368,83	5.718.136,87
Less	Royalties distributed	7.6	(560.150,68)	(408.475,00)
Less	Royalties distributable	7.6	<u>(3.460.170,98)</u>	<u>(3.783.172,66)</u>
	<b>Gross Profit</b>		<b><u>1.299.047,17</u></b>	<b><u>1.526.489,21</u></b>
	Other income		<u>741,95</u>	<u>-</u>
			<b><u>1.299.789,12</u></b>	<b><u>1.526.489,21</u></b>
	Administrative expenses	7.6	(2.326.955,64)	(2.606.525,71)
	Distribution expenses	7.6	(228.822,21)	(221.758,21)
	Other expenses and losses	7.6	(55.840,18)	(31.491,69)
	Other income and earnings	7.5	<u>1.321.714,47</u>	<u>1.344.463,27</u>
	<b>Profit / (Loss) before interest and taxes</b>		<b><u>9.885,56</u></b>	<b><u>11.176,87</u></b>
	Financial income	7.5	169,04	177,72
	Financial expense	7.6	<u>(10.054,60)</u>	<u>(11.354,59)</u>
	<b>Profit / (Loss) before taxes</b>		<b><u>0,00</u></b>	<b><u>0,00</u></b>
	Income tax		<u>-</u>	<u>-</u>
	<b>Profit / (Loss) after taxes</b>		<b><u>0,00</u></b>	<b><u>0,00</u></b>

## Statement of Cash flow For the Financial Year 2020

	<u>2020</u>	<u>2019</u>
<b>Cash flow from operating activities</b>		
Profit / (loss) before tax	0,00	0,00
Adjustments for:		
Depreciation & amortization	122.334,46	84.798,52
Exchange rate differences	(474,72)	258,66
Provisions	1.822.116,06	1.041.449,25
Gain and losses on disposal of fixed assets	(645,33)	-
Interest income and expenses (net amount)	9.885,56	11.176,87
	1.953.216,03	1.137.683,30
Movements in working capital		
(Increase)/Decrease in receivables	(820.107,15)	(3.353.752,22)
(Increase)/Decrease in liabilities	661.288,47	3.390.625,41
	(158.818,68)	36.873,19
Less:		
Interest paid	(10.054,60)	(11.354,59)
Income tax paid	-	-
<b>Total</b>	<b>1.784.342,75</b>	<b>1.163.201,90</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment & intangible assets	(198.472,86)	(250.162,95)
Interest received	169,04	177,72
<b>Total</b>	<b>(198.303,82)</b>	<b>(249.985,23)</b>
<b>Cash flow from financing activities</b>		
Share capital increase/decrease	4.133,85	18.113,45
Royalties distribution	-	-
Repayment of (or proceeds from) loans	-	50.000,00
Royalties distributed	(560.150,68)	(408.475,00)
<b>Total</b>	<b>(556.016,83)</b>	<b>(340.361,55)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		
Net increase/decrease of cash and cash equivalents in the period	1.030.022,10	572.855,12
Cash and cash equivalents at the beginning of the period	954.773,77	381.918,65
<b>Cash and cash equivalents at the end of the period</b>	<b>1.984.795,87</b>	<b>954.773,77</b>



## Note to the financial statements 31 December 2020

(In accordance with Article 29 του Law 4308/2014)

### 1. Company related information (par. 3 art. 29 L.4308/2014)

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Legal name	"AUTODIA" O.I.R.C.M COOPERATIVE LTD."
Legal form	COOPERATIVE LTD
Year period	1/1/2020 – 31/12/2020
Head Office address	3 Korai str, Z.C. 10564, Athens
Financial statements formation principle	Going Concern
Under liquidation	No
Organization classification based on L.4308/2014	Small entity with double entry bookkeeping
Currency:	Euro
Rounding:	Amounts are not rounded to the closest integer digit

### 2. Statement of the governing body (paragraph 3-part 8 art. 29 L.4308/2014)

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The Board of Directors of the cooperative “"AUTODIA" O.I.R.C.M COOPERATIVE LTD.”, which is the responsible body for the preparation of financial statements, declare that these statements are prepared in full accordance with Law 4308/2014.

### 3. Factors may cause the Company to cease to continue as a going concern (par.4 art 29 L 4308/2014)

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Organization conducted an assessment and did not identify events or conditions may cause the Company to cease to continue as a going concern.

#### **4. Accounting policies adopted by the entity (par.5 art. 29 L.4308/2014)**

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The accounting policies set out below have been applied consistently to all component items presented in these financial statements.

##### **4.1. Fixed and intangible assets**

Other tangible and intangible assets are measured at historical cost less depreciation, and less impairment loss when they are considered to be permanent. Other tangible and intangible assets are depreciated/amortized using the following rates, which reflects their estimated useful life:

Description	Depreciation rate
- Buildings-Building fixed installations	Leasing period
- Furniture and other equipment	10%
- Other tangible assets	10%
- EDP equipment	20%
- Software packages	20%
- Other intangible assets	10%

In case of disposal of tangible and intangible assets and financial assets, the difference between their carrying amount and disposal price is recognized as gain or loss in the income statement

##### **4.2. Prepayments and non-current assets under construction**

Prepayments shall initially be recognized at cost (amounts paid). Subsequently they shall be measured at initial cost less any amounts expensed in accordance with the accrual's basis and any impairment loss

##### **4.3. Other non-financial assets**

Any other non-financial assets shall initially be recognized at cost. Subsequently, they shall be measured at the lower of cost and their recoverable amount

#### **4.4. Other provisions**

Provisions shall initially be recognized and subsequently measured at the nominal amounts expected to be incurred for settlement

#### **4.5. Non-financial liabilities**

Non-financial liabilities shall be initially recognized and subsequently measured at the nominal amounts expected to be incurred for settlement.

Differences arising either on revaluation or settlement of non-financial liabilities, including provisions, shall be transferred to the income statement as gains or losses for the period.

#### **4.6. Income and expenses**

Income and expenses are recognized in accordance with the principle of accruals

#### **4.7. Changes in accounting policies and corrections of errors**

Changes in accounting policies and corrections of errors shall be recognized retrospectively. Appropriate adjustments shall be made to:

- a) The carrying amounts of assets, liabilities, and equity for the cumulative effects of the change as at the beginning and end of the comparative and reporting periods, and
- b) The income and expenses for the effect of the change on the figures of the comparative and reporting period

There was no need for such a change in the current period.

#### **4.8. Changes in accounting estimations**

Changes in accounting estimates shall be recognized in the reporting period in which they are decided upon and shall affect this period and subsequent period, as appropriate. Such changes shall not recognize retrospectively. Errors shall be corrected in the earliest possible accounting period after their discovery

There was no need for such a change in the current period 1.1-31.12.2020.

#### **4.9. Correction of prior periods errors**

Errors are recorded by retrospectively correcting the financial statements of all periods that are disclosed together with the statements of the current period.

No error was detected in the current period 1.1-31.12.2020

#### **5. Deviations from the provisions of the law in order to achieve a fair presentation of the financial statements**

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Where, in exceptional cases, the entity has deviated from a provision of this law in order to meet the requirement for fair presentation of financial statements, such deviation shall be disclosed and adequately justified.

In current period there was no need for such deviation from the provisions of the law

#### **6. Where an asset or liability relates to more than one-line item of the financial statements**

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The "Other Long-Term Liabilities" account of the long-term liabilities includes the long-term liability amounted to € 400.000,00 due to CISAC. The short-term portion amounted to € 200.000,00 is included in the short-term liabilities account "Short-term part of other long-term liabilities". See related Note 7.3.

It is also included the amount of €171.678,14 that relates to long debt (which has been settled) to Greek State.

#### **7. Analysis of financial statement items**

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##### **7.1. Tangible and intangible assets**

The following table presents information on the movement and reconciliation of fixed and intangible asset accounts. Table of changes in tangible and intangible assets

**Tangible and Intangible assets**

	<b>Buildings</b>	<b>Furnitures</b>	<b>Computers</b>	<b>Storage &amp; handling equipment</b>	<b>Telecommunication Equipment</b>	<b>Other Equipment</b>	<b>Software packages</b>	<b>Other set up expenses</b>	<b>Total</b>
<b>Acquisition Cost</b>									
Balance 1 January 2019	-	18.394,93	75.342,31	701,41	12.854,93	18.895,84	165.899,91	43.295,49	335.384,82
Additions	2.085,00	2.725,00	20.211,85	-	300,00	562,60	224.278,50	-	250.162,95
Disposals	-	-	-	-	-	-	-	-	-
<b>Balance 31 December 2019</b>	<b>2.085,00</b>	<b>21.119,93</b>	<b>95.554,16</b>	<b>701,41</b>	<b>13.154,93</b>	<b>19.458,44</b>	<b>390.178,41</b>	<b>43.295,49</b>	<b>585.547,77</b>
Balance 1 January 2020	2.085,00	21.119,93	95.554,16	701,41	13.154,93	19.458,44	390.178,41	43.295,49	585.547,77
Additions		262,34	6.147,23	-	-	-	194.063,29	-	200.472,86
Disposals		-	(12.935,23)	-	-	-	-	-	(12.935,23)
<b>Balance 31 December 2020</b>	<b>2.085,00</b>	<b>21.382,27</b>	<b>88.766,16</b>	<b>701,41</b>	<b>13.154,93</b>	<b>19.458,44</b>	<b>584.241,70</b>	<b>43.295,49</b>	<b>773.085,40</b>
<b>Depreciation</b>									
Balance 1 January 2019	-	4.494,21	26.700,13	701,40	6.080,53	8.331,55	8.720,74	8.659,10	63.687,66
Depreciation charges	347,26	1.771,78	15.252,94	-	1.576,66	1.611,26	59.909,07	4.329,55	84.798,52
Reductions		-	-	-	-	-	-	-	-
<b>Balance 31 December 2019</b>	<b>347,26</b>	<b>6.265,99</b>	<b>41.953,07</b>	<b>701,40</b>	<b>7.657,19</b>	<b>9.942,81</b>	<b>68.629,81</b>	<b>12.988,65</b>	<b>148.486,18</b>
Balance 1 January 2020	347,26	6.265,99	41.953,07	701,40	7.657,19	9.942,81	68.629,81	12.988,65	148.486,18
Depreciation charges	595,79	2.002,48	17.404,44	-	947,35	1.660,96	95.393,89	4.329,55	122.334,46
Reductions		-	(11.580,56)	-	-	-	-	-	(11.580,56)
<b>Balance 31 December 2020</b>	<b>943,05</b>	<b>8.268,47</b>	<b>47.776,95</b>	<b>701,40</b>	<b>8.604,54</b>	<b>11.603,77</b>	<b>164.023,70</b>	<b>17.318,20</b>	<b>259.240,08</b>
<b>Assets at cost</b>									
Balance 1 January 2019	-	13.900,72	48.642,18	0,01	6.774,40	10.564,29	157.179,17	34.636,39	271.697,16
<b>Balance 31 December 2019</b>	<b>1.737,74</b>	<b>14.853,94</b>	<b>53.601,09</b>	<b>0,01</b>	<b>5.497,74</b>	<b>9.515,63</b>	<b>321.548,60</b>	<b>30.306,84</b>	<b>437.061,59</b>
Balance 1 January 2020		14.853,94	53.601,09	0,01	5.497,74	9.515,63	321.548,60	30.306,84	437.061,59
<b>Balance 31 December 2020</b>	<b>1.141,95</b>	<b>13.113,80</b>	<b>40.989,21</b>	<b>0,01</b>	<b>4.550,39</b>	<b>7.854,67</b>	<b>420.218,00</b>	<b>25.977,29</b>	<b>513.845,32</b>

## 7.2. Trade receivables

Trade receivables analyzed as follow:

	<u>2020</u>	<u>2019</u>
Customers (open balances)	2.068.207,89	1.506.269,46
Checks receivable (postdated)	75.351,80	70.377,35
Advances to suppliers	127.507,24	243.866,36
<b>Total</b>	<b><u>2.271.066,93</u></b>	<b><u>1.820.513,17</u></b>

## 7.3. Capital and Retained earnings

Other long-term liabilities relate to an obligation to the World Confederation of Composers and Composers Management Organizations (CISAC) from funding that been given to the Agency under a relevant MOU and relevant contract signed on year 2018.

The duration of the repayment analyzed in the table below:

<b>Balance of total debt</b>	<b>Other Long-term liabilities</b>
<b>Short-term portion:</b>	
Up to 1 year	200.000,00
<b>Total of short-term portion</b>	<b>200.000,00</b>
<b>Long-term portion:</b>	
2 έως 5 years	400.000,00
Over 5 years	0,00
<b>Total of long-term portion</b>	<b>400.000,00</b>
<b>Total amount</b>	<b>600.000,00</b>

The above funding was allocated to cover the investment and development of the Agency on the basis of the relevant financing agreement and related business plan, approved by its statutory bodies during the year 2018. It is noted that the loan is repaid normally based on the relevant repayment plan, which is included in the relevant loan agreement.

## 7.4. Transit accounts with material amount or particular frequency or importance (par.17 article 29)

There are significant amounts of transit accounts in the period, as follows:

- Accrued income: Transit accounts relating to the accrued income of current year amounted € 3.404.521,94.
- Prepaid expenses: Transit accounts relating to prepaid expenses of next year amounted € 4.154,46.

- Accrued expenses: Transit accounts relating to distributable royalties of current year amounted € 3.460.170,98 distributable royalties of prior year amounted € 1.763.747,35, and prior years expenses amounted €46.000,00.
- Deferred income: Transit accounts relating to deferred income amounted € 2.719,67.

## 7.5. Turnover amount – Other income

Turnover during the year is amounted to € 5.319.368,83 (compared to the prior period amount of € 5.718.136,87).

The turnover amount is analyzed as follow:

	<b>2020</b>	<b>2019</b>
Private Copy (article 18 v.2121/93)	417.409,79	200.791,21
Background Music	1.723.572,58	2.325.000,23
Concerts	38.785,05	323.969,85
Advertisements Mechanical	8.880,00	-
Broadcasting	605.018,07	44.737,87
Online	340.719,21	8.749,00
Mechanical Reproduction	4.027,07	6.705,30
Abroad	65.992,37	8.973,69
Accrued income of current period	2.114.964,69	2.799.209,72
<b>Total</b>	<b>5.319.368,83</b>	<b>5.718.136,87</b>

## Other income and gains

Other income and gains in current year amounted to €1.321.714,47 (compared to the prior period amount of € 1.344.463,27) and related mainly to intellectual rights revenue of prior years.

It is noted that the amount of accrued income for the period from intellectual rights includes the amount of € 634.097,92. This amount relates which the percentage of representation of the repertoire of the Organization for the year 2020 based on relevant agreements.

It is noted that the respective invoices have not been issued, due to the fact that the contractual text is in process to be signed and also due to the special provisions of the signed contracts for later issue of the relevant invoices of the year 2020. (Balance clearance)

## Credit interest and relevant income

Credit Interest in current year amounted to € 169,04 (compared to the prior period amount of € 177,72).

**Therefore, the total revenue for the year 2020 amounted to € 6.641.994,29.**

## 7.6. Expenses per category

Operating expenses analyzed as follow:

### Expenses

	<u>2020</u>	<u>2019</u>
Salaries and expenses of employees	1.390.915,00	1.550.938,09
Freelance- Professional fees	655.321,85	793.518,89
Charges for outside services and utilities	153.243,79	183.890,10
Taxes-duties	23.534,26	15.940,64
Other expenses	210.428,49	199.197,68
Depreciation	122.334,46	84.798,52
<b>Total Administration and Distribution Costs</b>	<b><u>2.555.777,85</u></b>	<b><u>2.828.283,92</u></b>

Salaries and expenses of employees analyzed as follow:

### Salaries and expenses of employees

	<u>2020</u>	<u>2019</u>
Salaries and staff allowances	1.121.246,04	1.250.900,36
Social security contributions	268.691,46	300.037,73
Other staff costs	977,50	0,00
<b>Total</b>	<b><u>1.390.915,00</u></b>	<b><u>1.550.938,09</u></b>

Average number of employees during the reporting period: 58 people. (prior year average number of employees was 60 people).

Specifically, the Organization as of December 31, 2020, employed 54 employees, 5 lawyers and 22 agents with a freelancer service contract, which are be paid with a percentage from the collection of intellectual rights amount throughout the Greek Territory.



### **Other expenses and losses**

Other expenses and losses amounted to €55.840,18 (compared to the prior period amount of € 31.491,69).

### **Interest and related expenses**

Interest and related expenses amounted to €10.054,60 (compared to the prior period amount of € 11.354,59).

### **Fees to members of BOD**

The fees to the BOD members for their participation in the BOD meetings in 2020 amounted to €70.283,20 (compared to the prior period of €62.160,00).

The fees to the Supervisory body members for their participation in the BOD meetings in 2020 amounted to € 12.000,00 (compared to the prior period of €15.940,00)

### **Royalties**

Total royalties for the current year amounted to € **4.020.321,66**, of which the amount of € **568.053,88** were paid/distributed to rightsholders in 2020 and beginning of the year 2021, while the remaining amount of € **3.452.267,78** relates to royalties distributable of the year 2020.

### **8. Presentation deviations (par.2 article 16 L.4308/2014)**

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The financial statements fairly present the financial elements of the Organization under Greek GAAP, following the provisions of Law 4308/2014 as in force.

### **9. Financial commitments and contingencies (par.16 article 29 L.4308/2014)**

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The Organization has not been audited by the tax authorities for the years 2014 – 2020. It is noted that with decision of the Council of Greek State no. 1738 / 27.6.17 for the years 2010 to 2013 expired the possibility of audit by the tax authorities.

The amount of contingent liabilities that will arise from the tax audit cannot be estimated at this stage and therefore no provision has been made in the financial statements.

### **10. Financial statements lay-out (par. 34 Art. 29 L.4308/2014)**

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Use was made of the provisions of Art. 16 par. 5 and 6, L. 4308/2014.

## **11. Implementation of “True and Fair” View of Financial Statement and additional information for wider understanding**

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The Organization prepared the financial statements for the year 31/12/2020 for the sixth consecutive year, in accordance with the Greek Accounting Standards, and in compliance with the provisions of Law 4308/2014, that is in force.

It is noted that during the year ended December 31, 2020, total revenue was at about the same level as in the previous year, there was a decrease of 6% approximately. Total expenses reduced of 10 % approximately. The decline in revenue is due to the difficulties and intense competition in this particular intellectual rights industry. On the other hand, the effects of the pandemic lead to in the cessation of cultural events, concerts, mandatory suspension of stores, in entertainment and hotel accommodation sector, resulting in revenues from public performances to be reduced by about 42% compared to the year 2019

It is noted that in the context of the complete restructuring of the Organization which is changing its profile and establishing itself in the intellectual rights industry already from the year 2018 and establishing itself in the intellectual rights industry during the fiscal year 2020 and until today to upgrade of existing software for documentation and distribution of rights and for the monitoring of the commercial management of customers – suppliers (CrMs system, ERP Softone, CRM, ageing analysis, new equipment) with the aim at ensuring prompt information, reliability and transparency.

In addition, the Organization in the year 2020 started the creation of two new Portals (platforms), which were completed and implemented in May 2021, in the context of transparency and continuous upgrading of its services to its members and to music users. It is noted that during the year 2020 music creators of significant repertoire became members of the organization (273 new members) and signing over reciprocal representation agreements with the bigger foreign intellectual rights organizations.

In spite of the difficult economic situation in Greece as well as the effects from the pandemic (COVID-19) in the year 2020 the management of the Organization continues to closely monitor the developments, taking all necessary measures to, such as the reduction of operating expenses and the conversion of the fixed operating costs into variables, in order to ensure not only the going concern of the business activity of the Organization but also its further development, with the aim of representation an important part of the Greek and foreign repertoire.

It is noted that some of the members who left the Organization in February and March 2019 filed an application for protective measures against the Organization requesting a temporary injunction for the precautionary seizure of the Organization's property up to the amount of € 114.678,14. They also request the cancellation of the decision dated 5/7/2019 of the General Assembly of the Organization to the extent that they approved the withholding percentage on the distributable income amount to cover losses of previous years and management expenses. Both the request for an interim injunction and the application for protective measures decision were rejected with the decision no. 6506/2019.

The same members have proceeded to legal claim against the Organization with the same requests and also the payment to them of the total amount of € 114.678,14, which has been discussed and the issuance of the relevant decision is expected. The assessment of the outcome of this legal case should be positive for the Agency, considering the above-mentioned court decision regarding the rejection on the above application for an interim injunction and the application for protective measures.

In addition, the Organization maintains sufficient cash available at first to respond to distributions to its rightsholders - members and to also in order to cover its operating expenses. It should be noted that throughout the year the Organization has fully complied with its obligations, to its rightsholders, its employees and its creditors in general.

Athens, 8/6/2021

PRESIDENT OF B. O. D



ANTIPAS NIKOLAOS

ID number AK649577

MEMBER OF B. O. D.



MINOS MAMAGAKIS

ID number AO 076719

ACCOUNTANT



GEORGIA

MOUMOURI

ID number. AE 152738

Licence number OEE 74263

A Class

## 1.2 Activity report of the organization for the fiscal year 2020

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### **Overview of the fiscal year 2020**

During the two years period 2018-2019, the Organization in order to have going concern as an entity and also to have business growth, applied the principles, rules and best practices and procedures of the World Confederation (CISAC) and contracted Organizations, in accordance with international and technical standards.

Organization methodically and systematically developed strong readiness ability in order to face the great challenges that arose in last year. During the year 2020, the outbreak of the pandemic had negative effects in Retail, Catering, Entertainment and Tourism sector. Due to this fact this year was a big challenge for Autodia, its members, the creations and the right-holders.

The administration and supervisory crew members made huge efforts in order Intellectual rights cooperative management sector to have stability and also to achieve benefits for its members and the contracted collective management organizations.

Carrying out negotiations across the market and concluding important licensing agreements, it continued with step by step to upgrade its systems, in terms of music documentation and distribution of rights, as well as all to the provision of services to its members.

Autodia managed to reduce the effects of the large economic recession that occurred in current year (reduction of royalties' revenue from background music was up to 42%). It is noted that many background music events and Concerts been cancelled during the year 2020.

In order to offset the negative economic effects, agency aimed to raise revenue amounts through the uses of the represented repertoire by concluding agreements with national television channels, renewals or concluding new agreements with radio stations of Athens or province.

While at the same time started negotiations regarding the provision of streaming music and audiovisual services, with the cooperation of two important licensing agreements for the first time in Greece, to be finally completed within the current year, with Mint Digital Service and Netflix

### **Governance**

**Since June 2018, Autodia proceeded in many changes regarding administrative organization and**

corporate governance, its structures / policies as well as its operating procedures in order to follow Law 4481/2017 and the business rules of CISAC.

The B.O.D since the year 2018 activated specific subcommittees for a specific purpose which relates to the sectors <<Licensing and Finance>>, <<Legal Affairs and Governance>> <<Distribution, Documentation and Computerization>>. These sub-committees are mixed and consist of BOD members and Organization members, meet regularly, discuss various issues and submit their proposals to the Board for evaluation and final approval

The daily processing and monitoring of the work and the fulfill of targets of each department of the Organization is done by the General Manager, who reports to the Board of Directors at regular basis and whenever has requested,

separate from the regular meetings of the Board, where he attends with the relevant executives.

It is noted that the Board of Directors and the Supervisory Board of the Organization are aware of the important facts and current issues of its daily operation, in accordance with the rules of corporate governance that have been established and implemented.

### **Financial services**

The financial services department has recruit two full-time employees, one of whom has been designated as Accounting Supervisor in accordance with the organization chart, in order for financial department to meet the growing demands of the Organization's daily needs (significant increase in the number of issued invoices, payments, commissions, agreements, journal entries, preparation of financial statements etc.)

Except Chief Accountant, the Organization has also appointed a Financial Advisor, who is responsible for the Financial Services and the issuance of reports to the Management and the Administrative and Supervisory bodies. Also, regarding the preparation of the monthly payroll and other reports, the Organization continues its cooperation with outsourcing consultants for the provision of accounting and consulting services.

### **Legal services**

Since the year 2018, but then also during the year 2020, the Organization developed cooperation's with external law firms / companies and has recruit Supervisor in legal department. These actions were taken for the reorganization of the legal department, so that it better meets the needs and obligations of its daily operation as well as to defend and protect the interests of its members.

The Organization in the year 2020, was active, proceed in judicial actions regarding unsettled royalties'

receivables amounts as well as compensatory amounts from not obtaining licenses to use its repertoire.

Legal department focuses on claiming and collecting intellectual rights amounts from music users (background music and Radio/Tv stations) in a range that covers almost the entire Greek territory. Up to this day, these acts bring positive results for the organization in the difficulties of intense business competition and also from the effects from pandemic.

### **Represented Repertoire**

During 2020, 273 new members were added to the existing members of the Autodia from which five of them are publishers.

The foreign organizations that signed representation agreement with the Autodia are ANCO Moldova, UNISON Spain, AMRA USA, COTT Trinidad & Tobago and IPRS India. All of them signed mutual or unilateral agreement regarding the representation of their repertoires from our organization. In addition, three organizations have decided to expand their cooperation with the Autodia for Mechanical Rights: EAU Estonia, AKKA / LAA Latvia and RAO Russia.

It is pointed out that the Organization through the mutual agreements with 75 foreign organizations continues to represent up to today more than 2.000.000 Greek and foreign creators and more than 25.000.000 musical works, as a result of which it holds an overwhelming share of the music intellectual rights market in Greece in which now exceeds 70%.

### **Department of International Affairs**

The new Department of International Affairs focused on the monitoring and implementation of the Agency's representation contracts with foreign Organizations and also in the increase of revenues that derives from uses of the Greek repertoire in foreign countries.

Also, regular meetings and communication canals were developed, with foreign organizations and with music publishers, in order to exchange best practices and know-how business solutions. This is a fact that will be very helpful for the further economic growth of the Autodia.

Finally, a special file on digital platforms was created regarding the representative repertoire of Autodia, this fact has resulted to the faster completion of important agreements of the Organization with international digital platforms and services.

## **Communication Strategy and International Relations**

At the beginning of the year 2020, with the pandemic spread the Organization through the Department of Communication & International Relations, decided to strengthen its communication policy, considering the special and extraordinary circumstances, as well as the negative consequences that this crisis had on catering, entertainment, tourism and cultural events. In a particularly difficult period for intellectual rights sector, being part of its principles, the Organization proceeded to formulate and implement the new communication strategy, aiming to enhance stability of the intellectual rights market, The main target of the Organization was to be established in the consciousness of users (prestige campaign) and strengthening its presence in the Greek market.

The Organization sent a message of unity and cooperation to all professionals and creators. Organization announced its fully readiness and will to jointly find solutions to the crisis. Two advertising campaigns were hosted on the website and on the social networks of Autodia, with the slogans "Come and you" and "Everyone here", regarding the support measures for its users and members, which were shown on TV and Internet websites and social networks. These campaigns contributed, in order Organization to attract new members and to the increase of revenues, thanks to the licensing agreements that were gradually completed. At the same time, the Department of Communication & International Relations, being in highly frequent contact with all international and European organizations and associations (CISAC, GESAC, BIEM, CIAM, ECSA) and monitoring the developments, new data and trends regarding intellectual rights in the digital age, through special works, forums, internet programs and teleconferences, prepares specialized reports and Press Releases and informs about the Management, as well as with special newsletters.

In December 2020, in cooperation with the Administration Body, a letter was prepared to the Ministers of Finance, Investments & Development and Culture & Sports, in which the Autodia requested the commitment of specific funds and a detailed financing plan on behalf of the cultural and creative sector and in particular for creators & royalties' holders, as well as for Intellectual rights Organizations, through the European Support Mechanisms.

At the same time, it exclusively analyzed, presented and distributed to the press / media the translated EY Report on behalf of GESAC, entitled "Rebuilding Europe: The economy of cultural and creative sector before and after COVID-19", which took place in 28 EU countries, in 10 sectors of the industry, and which records the positive economic data before the pandemic, but also the negative effects of the closure of shops and the cancellation of events, as well as the health measures due to COVID - 19. The Report was sent to

all political officials and members of European Parliament) and in particular the Ministry of Culture received full knowledge of it.

## **Licensing**

### **Background music & Concerts**

The background music & concerts department employs a total of 48 people, of which 26 are salaried employees and 22 are commercial agents with a project contract.

The newly established Department of Legal claims has hired three lawyers.

In total, 481 inspections have been carried out throughout Greece and 267 cases have been settled in the relevant courts, which, however, remained closed for at least 6 months, due to the restrictive measures of the Pandemic in 2020.

During 2020, especially since February and the time period when COVID-19 expand in Greece, the stores remained closed for a total of 6 months in during 2020, while few opened in the summer.

The concerts after 15/7 were banned or performed with less crowd, while all the concerts of foreign bands were canceled or canceled permanently. The same happened in areas of public music performance, such as halls and states of social and professional events, which, even if they had finally operated to a lesser extent, had already canceled their scheduled events.

As a result of the restrictive measures and the suspension of the operation of the stores, the majority of employees in the background music sector came out with a work suspension for a period between 3 to 6 months.

Based on all the above that mentioned, and in these difficult conditions, the Department of background music successfully, concluded cooperation agreements with several professional associations and chambers, as follows:

Hotel Chamber of Greece (XEE), Chambers of the of Kilkis and Arcadia, Association of Gyms of Greece, Associations of Real Estate of Attica and Associations of Branches of Chania, Epanomi, Patras, Sitia, Xanthi, Ierapetra and Therma.

Also, a number of large commercial chains were licensed, such as Cosmote, Germanos, Ikea, Jumbo, Zara, the supermarkets Vassilopoulos and Masoutis, as well as malls with all kinds of trading items, such as technology products, etc.



At the beginning of June 2021, music has not yet been allowed in retail and outdoor catering sector, the executive staff of the background department is awaiting the formal announcements from the government in the near future. Outdoor concerts with Greek artists are already taking place with a permissible occupancy level of 50%, while concerts with foreign bands have not yet been announced. The restart of the Legal activity of background Department music has already been planned and has begun to be implemented, claiming open receivables intellectual rights amounts from the use of music.

### **Rights from Television / Radio**

During the year 2020, the Organization, through the contacts of the Television & Radio Department, signed licensing agreements with the Association of Private Television Stations of National Signal (EITISES), with MEGA CHANNEL, as well as with E.D.R.T. .M.E.E (Association of Municipal Broadcasting Media of Greece).He also signed a contract with ERT (National television), as well as with the local providers of audio visual streaming on demand services, pay per view and IPTV: Cosmote TV, Nova TV, Vodafone TV and Wind Vision. At the same time, in 2020, negotiations began with the Panhellenic Association of Radio Station Owners (PIRAS), while the contract with the Association of Owners of Private Radio Stations of Attica (EPRA) was renewed for a few more years (2021-2022).

### **Online**

The start of operation of the Department of Online Media, lead to conclusion of the agreement with strategic importance with MINT Digital Services. This agreement regarding multi-territorial license was signed in January 2021, and it was the first time that an intellectual rights management organization has ever made this kind of agreement in Greece.

In basis of this agreement, the members of the Autodia will collect their rights from 200 territory regions, including Greece, for almost all foreign music and social networking platforms (DSP's), with documented and detailed recording and presentation of the use per provider and type service (e.g., You Tube, Google Play, Spotify, iTunes, Facebook, Instagram, Tik Tok and a host of other digital media).

Also in 2020, a contract was signed with Deezer. This contact positive contributed to the agreement with the largest audiovisual services platform Netflix, which was completed this year. Negotiations with similar services (Apple TV, Amazon, etc.) are also at an advanced stage.

In addition, the template of fees rates of the organization was updated, regarding the online use of music, and also regarding the standard contracts, in order to be in compliance with the market trends and the technology developments.

Finally, the department proceeded to the licensing and cooperation with the largest local providers of professional Dubbing services (music in commercial places), as well as to the licensing of a number of local Web radios, Podcasting Sites, Streaming on Demand sites and Websites of Cultural Institutions etc.

### **Mechanical rights**

Regarding the contract for the mechanical rights of the creators / beneficiaries of the Autodia members, it is noted that in 2020 the negotiations with the Hellenic Record Producers Association (IFPI) continued in collaboration with BIEM, the international body of organizations for the mechanical rights. The contract of the Phonography Industry was signed within the current year after many months of negotiations.

The contract that was signed has retroactive effect from 1/1/2018 and is valid for 4 years with automatic renewal and activates the cooperation of Autodia with each Greek record company separately, a member of IFPI.

At the same time, the Organization continues the licensing, invoicing and collection of mechanical rights from independent productions that were printed in factories in Greece and abroad.

Regarding the operating system, improvements and upgrades were made in the process of importing and editing of Label Copies from different formats (Excel, Word, PDF) and the relevant clearances. The system has the ability to calculate the represented repertoire based on the current documentation as well as the corresponding clearing period.

### **Management of Private Copy**

The year 2020 was a special year for the beneficiaries of the CMO of the reasonable fee between range of 2% and 6% -among them the Autodia-. From the point of view of intellectual rights collections, the Pandemic had positive effects, as due to the quarantine, sales of technology items and products that are subject to reasonable fee in general increased.

The task of the Committee for the final allocation of percentages among the CMOs was not completed and therefore did not produce results. The CMOs of audiovisual creations applied to the Intellectual Property Organization (OPI) for the final distribution among all categories of beneficiaries on 30.10.2020. As a result, the process of the submission of memorandums and legal documents in general on behalf of our organization, as the beneficiary of the CMO, the intellectual creators, joined the OPI. The OPI decision has not been issued and therefore the collection of the CMOs continues based on the current temporary allocation agreements.

## **Documentation and Distribution**

At the bigger part of the year 2020, the documentation department worked through telecommute means with great success and coordination of work.

The department is significantly contributed to the success of negotiations for the conclusion of contracts and the completion of collaborations as well as to the proportionately intellectual rights collection by EITISEE, EIRA, ERT and the Subscription Platforms (COSMOTE, NOVA, VODAFONE, RIN) (pro rata model), which is applied for the first time in Greece due to the operation of two Organizations in the same category of music intellectual rights sector. In addition, the department recorded thousands of music creations from Publishers / members that it received in CWR format, as well as a very large number of repertoires from the registration of new members, creating a dynamic database and repertoires.

During the year 2020, the MIK3 system has been upgraded in the field of audiovisual creations documentation. This fact took place in order the system to be capable to process the digital Cue Sheets which are imported through a special platform of CISAC, giving speed and validity to the representation of foreign films, series, etc.

## **Computerization and Corporate Operations**

In the beginning of the year 2020, the organization proceed to the design and implementation of a teleworking plan for all the employees (excluding a small number of security employees), with the procurement and configuration of the required equipment and software, in combination with certain security protocols and the transformation of operational flows to continue to operate at high standards during the difficult period of the pandemic. The plan also includes the support of hybrid models (combination of teleworking and work on the organization's facilities), which could conditionally be used to reduce the operating expenditure after the end of the pandemic.

The Organization's internal documentation and distribution system (CrMS) has adopted numerous additions and improvements, for the better management of the represented repertoires, the optimization of the liquidity management and distribution mechanisms per authority and the improvement of the procedures and mechanisms based on control and supervision, international standards and best practices.

Also, multiple improvements were made on the official website of the organization [www.autodia.gr](http://www.autodia.gr), both in the management and the operational part, based on the needs of the Organization

One of the most important changes in current year was the strengthening of the communication effect of the website and the upgrading of its promotion and interaction ability with their followers (start of a new

section of announcements, support of new types of multimedia, interaction with the most popular social media etc.). In the sector of services provide to its members and to music users, Autodia established in 2021 two new web portals (portals):

### **Distribution Portal**

The Autodia new platform provides to all members of the Organization (creators / beneficiaries / publishers) with access to their distribution data, in a simple and intelligible way. Through a personal user account on the Organization's website and following all modern security standards, members are able to access all data related to their distribution data, from their date of registration in Autodia until today.

The platform, through many ways of data presentation and through analysis of functions, it also provides to its members with the ability to develop opinion with strategic depth in relation to their repertoire, uses and distribution. The implementation of this Portal is based on high standards, following the function philosophy of respective tools that have been used by the biggest European CMOs in recent years.

### **Portal of Domestic Repertoire Autodia**

A new web portal ,is available from the Autodia website and enables music users as well as anyone interested to receive knowledge and information about the Organization's regarding domestically represented repertoire. Users have the ability to perform searches through a flexible mechanism over the entire repertoire and receive in real-time informations, directly from the internal documentation systems of Autodia. In this way the information presented is up-to-date and reflects the current representation image.

### **Brief reference to the course of Autodia in 2021**

It is noted that during the years 2018 and 2019 the proper conditions were set in order Autodia to move in a new era. While in the year 2020, despite the difficulties that still exist in the field of intellectual rights management of music creations and the negative effects from Pandemic. All the actions planned and programmed in the previous years are implemented quickly.

It is noted that the year 2021 is expected to be a difficult time period for the Organization, Culture but also for the Economy in general.

Due to the Pandemic (COVID-19) the effects of which are expected to negatively affect overall economic

activity.

More specifically, according to the World Health Organization, the spread of the COVID-19 virus and the classification of the situation as a Pandemic took place within the month of February 2020 and confirmed cases appeared in our country at the end of the same month. There is considerable uncertainty about the social and economic consequences derives of this Pandemic. The Organization at operational level has been in compliance with all instructions issued by the National Public Health Organization. At the operational level, developments in our country are examined daily, mainly in restaurants, entertainment, tourism, festivals and other cultural activities (concerts, live performances, etc.) in order to take immediate measures to operating costs restructuring and the protection of the liquidity.

Despite the difficulties of the industry and the Pandemic effects, Organization has been given emphasis and priority to increasing revenues and receipts from various sources of income such as background music, with specific legal actions to big users and areas with intense economic activity, during the summer months. The representatives of the Autodia use a special application through mobile devices that increases the efficiency in the certification and recording of music, while it offers great possibilities of control and reports in terms of their performance.

In any case, despite the above difficulties, the main scope of the Organization for 2021 are to increase its revenues from various sources of music as well as to reduce its operating costs through cost restructuring, application of modern technology, automation of functions and control procedures and reports in order to increase the distribution of rights to its beneficiaries / members as well as to improve its daily services to its members, based on international standards and best practices applied worldwide.

### 1.3 Information regarding with the refusal of license authorization in accordance with paragraph 4 of article 22

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In accordance with 4 of Article 22, there was no relevant case of refusal of licensing by our Organization.

## 1.4 Legal and corporate structure of the Organization

### 1.4.1. Legal structure

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Autodia manage and protect in accordance to provisions of L. 2121/1983, L.4481/2017, L.1667/86 of the articles of association and the assignment agreement with its members, the intellectual rights and authorities by composers, lyricists, publishers/ sub-publishers of music works or their successors as well as by foreign collective management organizations with the terms of Autodia pertaining to their admittance and registration of members in accordance with the provisions of the relevant legal provisions and its articles of association.

Autodia has the commitment to manage these rights unless it has objective and justifiable reasons to refuse to undertake management.

Autodia exercise on its behalf the rights which it protects and administers both judicially and extrajudicially.

Autodia provides licensing for the usage of repertoire works to whoever requests it. Autodia can refuse to provide licensing if the applicant does not provide adequate guarantees of in order to be in compliance with the obligation that arise from the relevant legislation of intellectual rights. For the various types of use, Autodia draws up certain list of fees which it notifies under relevant law.

In all licenses for public performance or broadcasting provided by the Organization, Autodia states that such licenses do not permit acts or omissions related to the moral right of the music creators to be exercised individually or by its respective body.

Autodia give great effort to ensure that rights that manages and protects are being respected everywhere. Autodia proceeds in royalties' distribution in accordance with the relevant legislation, the applicable fees list and its articles of association.

The applicable distribution regulations are included in the Distribution policy. Distribution actions and corresponding payments to members/ right holders must be completed as soon as possible, according to Article 16 of the article of association the applicable Distribution Regulation and in compliance with relevant legislation. Royalties which derive from foreign collective management organizations are also distributed in accordance with the aforementioned.

From the income received from rights in Greece, Autodia deducts percentages of management expenses from the provisions of the Distribution Regulation, the articles of association, and the relevant the legislation. Unless otherwise agreements with foreign cooperative management organizations, the retention percentage shall be the same for both rightsholders / members of Autodia as for rightsholders / members of these foreign organizations.

Autodia can distribute additional amounts in specific percentage rate from revenues in order to promote cultural actions, basis on the decision at the General Assembly and recommendation by the Board of Directors. Autodia must act regarding the optimum interest of right holders / members, to represent their rights and not impose liabilities that are not objectively necessary for the protection of their rights and interests as well as the efficient management of their rights.

Autodia gives the opportunity to its members or to the corresponding represented rightsholders/members to communicate with the organization via electronic media even to exercise their rights.

## 1.4.2 Corporate governance structure of the Organization

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### 1.4.2.1 General Assembly

#### 1.4.2.1.1 General Assembly duties

The General Assembly is the highest body and decides for all issues regarding Autodia in accordance with L.4481/2017, L. 1667/1986 and its current articles of association.

The duty of the General Assembly according to the current article of association and as of drafting of the present report are the below:

- a) The amendment of the article of association
- b) The merger, extent of duration, the dissolution, the restoration of Autodia
- c) The approval of any contingent operational or labor regulations
- d) The approval of decisions by the Board of Directors for constitution, amendments, dissolution or participation of legal entities or entities of all kinds, associations of all persons, domestic or foreign or departure from them.

- e) the approval of the general terms of activity of Autodia
- f) The approval of accounts, balance sheets and PNL results
- g) The election of members of Directors and Supervisory Board as well as the representatives of Autodia in the case of a higher-level cooperative organization
- h) The exemption of the Directors and Supervisory Boards of any obligation
- i) Modification of corporate purpose or the headquarters of Autodia
- g) Modification in the amount of cooperative share
- k) Constitution of committees and definition of their duties
- l) Approval of Distribution Regulations
- m) Decision making against appeals on decisions made by the B.O.D regarding application for rejection of entry to Autodia or excluding a member from it
- n) Definition of any remuneration fee to members of the Directors and Supervisory Boards for their occupation
- o) Definition of rate detention regarding promotion of cultural activities,
- p) Basic principles regarding amount which cannot be distributed and usage per case of amounts which cannot be distributed
- q) Investment policy on revenue from rights and revenue which derive from revenue investment of rights, in accordance with article 18 L. 4481/2017
- r) The withholdings amount on revenue from rights and revenue which derive from revenue investment of rights, in accordance with article 18 L. 4481/2017
- w) Usage of revenue from rights and revenue which derive from revenue investment from rights, as to the manner, time or any other reason
- s) Management of possible cases which may affect the fulfilment of liabilities and the accomplishment of goals of the Organization (policy of risk management)
- y) Approval of any acquisition, sale or mortgaging of property
- z) Approval of any mergers and partnerships, subsidiary establishment, acquisition of other entities or shares or rights in other entities
- v) Approval of loan agreements or providing security for loans
- xi) Instruction of terms regarding license of non-commercial rights usage



- xii) Inspection of the Organization's actions, deciding at least about the appointment of the removal of auditors and approval of the annual transparency report which Autodia submits in accordance with article 9, par. 5 of L. 4481/2017
- xiii) Restriction of the right to participate and voting in the General Assembly of members based on Article 9 par.5 L. 4481/2017
- xv) Enforcement of extraordinary contribution to members in order to deal with contingent damages or other extreme conditions
- ix) Formation of specific and contingent reserves
- ix) Approval for acceptance of members following a previous decision of the Board of Directors
- iiix) Approval of the decision of the Board of Directors regarding agreement termination assignment in accordance with article 12 par. 1 per. C of the present articles of association
- vx) Any additional issues provided for by the relevant legislation of L. 4481/2017 as it is valid

The General Assembly of the Members of Autodia can assign to the Supervisory Board, through decision powers which are in the aforementioned cases

#### **1.4.2.2 Composition of Supervisory Board from 1/1/2020 – 31/12/2020**

The Supervisory Board of Autodia has the general duty of supervising the Members of the BOD exercising their duties, in accordance with L. 4481/2017 as it is in effect and according to specific provisions of the articles of association.

In accordance with the in effect articles of Association of Autodia on the date drafted and signing of this report, the Supervisory Board consists of (3) members, (2) of whom belong to the category of composers, lyricists, beneficiaries (successors in life or cause of death) and are elected exclusively by partners/members of the same category, and (1) of whom belongs to the music publisher/sub-publisher category and is elected exclusively by members of the same category.

In the case of inability to fill the position on the Supervisory Board through the elective process or in the case of vacancy for whichever reason, the vacancy is filled through supplementary election by the General Assembly at the latest within one month of ascertaining the deficiency.

The member of the Supervisory Board cannot be at the same time a member of the Board of Directors. It is not permitted for Members of the Board of Directors and the Supervisory Board to have up to 2-degree relatives. Member representation is also forbidden.

According to the article of Association (art. 22.4), the Supervisory Board exercises its responsibilities by decision taken by most of its members. The meetings are in regularly basis and in case at least four (4) times a year and has a quorum if the majority of its members.

For the constitution of the body and the operation of the Supervisory Board the relevant provisions of the articles of association of the Board of Directors shall apply.

The composition of the Supervisory Board as it resulted from the decisions on 25.09.2018 of the General Assembly and also from the decisions from the elections of Supervisory Body and the decisions on 29.03.2019 of the General Assembly for the period 01.01.2020 and up until 16.01.2020 is as follows:

**President:** Mixalis Staurinoudakis, Composer/Lyricist (Creator's category)

**Members:**

Music creators: Aristides Chatzistaurou, Composer/Lyricist

For the category of music Publisher / Sub-publisher: Evangelos Fampas, Massive Productions

On 16.01.2020, Mr. Evangelos Fampas has quit as a member of the Supervisory Board. Due to this fact, the new composition of the Supervisory Board for the rest of the fiscal year 2020, as resulted from the additional election process of the Supervisory Body on 21.02.2020. was as follows:

**President:** Mixalis Staurinoudakis, Composer/Lyricist (Creator's category)

**Members:**

Music creators: Aristides Chatzistaurou, Composer/Lyricist

For the category of music Publisher / Sub-publisher: Nikolaos Papakostas, (CANTO MED).

It is noted that the above composition of the Supervisory Board is valid until today.

### **1.4.2.3 Composition of Board of Directors from 1/1/2020 – 31/12/2020**

In accordance to the articles of Association of Autodia on the date of drafting and signing this report, the Board of Directors of Autodia consists of a sufficient number of members with the purpose of management of Autodia that is, of nine (9) members, six (6) of whom belong in the category of composers, lyricists, beneficiaries (successors in life or cause of death) and are elected exclusively by partners/members in the same category and three (3) of whom belong to the category of music publishers/sub-publishers and are elected exclusively by members in the same category.

In the case of inability to fill the position on the Board of Directors through the elective process or in the case of empty position for whichever case during the period of duty of the B.O.D, the empty position is filled through supplementary elections by the General Assembly at the latest within one month of ascertaining the deficiency.

The members of the Board of Directors as were elected from the decisions on 25.09.2018 at the General Assembly as well as from the nominations for the additional election of members of the Board of Directors of the General Assembly of the Organization from 29.03.2019, after the resignation of Ms. Dionysia Andrikopoulou, General Secretary from 10.12.2019 and until the nominations for the additional election of Board of Director. The composition of B.O.D. from 01.01.2020 to 16.01.2020 was as follows:

**President:** Nikolaos Antypas, Composer/Lyricist

**Vice President:** Chrysa Makri Papaionannou, Heir to the repertoire of the music creator Giannis Papaioannou

**General Secretary:** Nikolaos Zoudiaris, Composer/Lyricist

**Treasury:** Mixalis Abatangelos, Composer/Lyricist

**Members:**

**Creators:** Giannis Glezos Composer/Lyricist, and Nikolaos Pitloglou Composer

**Composer Publishers:** Amaryllis Kakani, Sony/ATV Music Publishing - Nikos Kourtis, F.M. Digital Tunes Ltd

Following the decision for the supplementary elections of the Board of Directors in January on 17, 2020 at the General Assembly of the Organization, the members and the new composition of the Board of Directors from 17.01.2020, until 05.08.2020 were as follows:

**President:** Nikolaos Antypas, Composer/Lyricist

**Vice President:** Hrisa Makri Papaioannou, Repertoire Beneficiary Yianni Papaioannou

**General Secretary:** Nikolaos Zoudiaris, Composer/Lyricist

**Treasury:** Mixalis Abatangelos, Composer/Lyricist

**Members:**

**Creators:** Giannis Glezos Composer/Lyricist, and Nikolaos Pitloglou Composer

**Composer Publishers:** Amaryllis Kakani, Sony/ATV Music Publishing - Nikos Kourtis, F.M. Digital Tunes Ltd and Evangelos Fampas (Massive Productions).

On 06.08.2020, Mr. Evangelos Fampas has quit as a member of the B.O.D. Following the additional election of a member of the Board of Directors and also with the General Assembly decision dated 30.09.2020, the members and the composition of the Board of Directors until 10.05.2021 was as follows:

**President:** Nikolaos Antypas, Composer/Lyricist

**Vice President:** Hrisa Makri Papaioannou, Repertoire Beneficiary Yianni Papaioannou

**General Secretary:** Nikolaos Zoudiaris, Composer/Lyricist

**Treasury:** Mixalis Abatangelos, Composer/Lyricist

**Members:**

**Creators:** Nikolaos Pitloglou Composer

Minos Mamagakis, Heir to the repertoire of the music creator Nikolaos Mamagaki

**Composer Publishers:** Amaryllis Kakani, Sony/ATV Music Publishing - Nikos Kourtis, F.M. Digital Tunes Ltd and Evangelos Fampas (Massive Productions).

On 10.05.2021, Mrs. Hrisa Makri Papaioannou- member of B.O.D, Nikolaos Zoudiaris – General Manager and Mixalis Abatangelos – were quit from, the Board of Directors. Following the additional election of a member of the Board of Directors and also with the General Assembly decision dated 30.09.2020, the members and the composition of the Board of Directors until 10.05.2021 was as follows:

Until the regular supplementary election of B.O.D, according with the provisions of the articles of association the members and the composition of the Board of Directors are as follows:

**President:** Nikolaos Antypas, Composer/Lyricist

**Members:**

**Creators:** Nikolaos Pitloglou Composer

Minos Mamagakis, Heir to the repertoire of the music creator Nikolaos Mamagaki

**Composer Publishers:** Amaryllis Kakani, Sony/ATV Music Publishing - Nikos Kourtis, F.M. Digital Tunes Ltd and Evangelos Fampas (Massive Productions).

#### **1.4.2.4 Organization Administration**

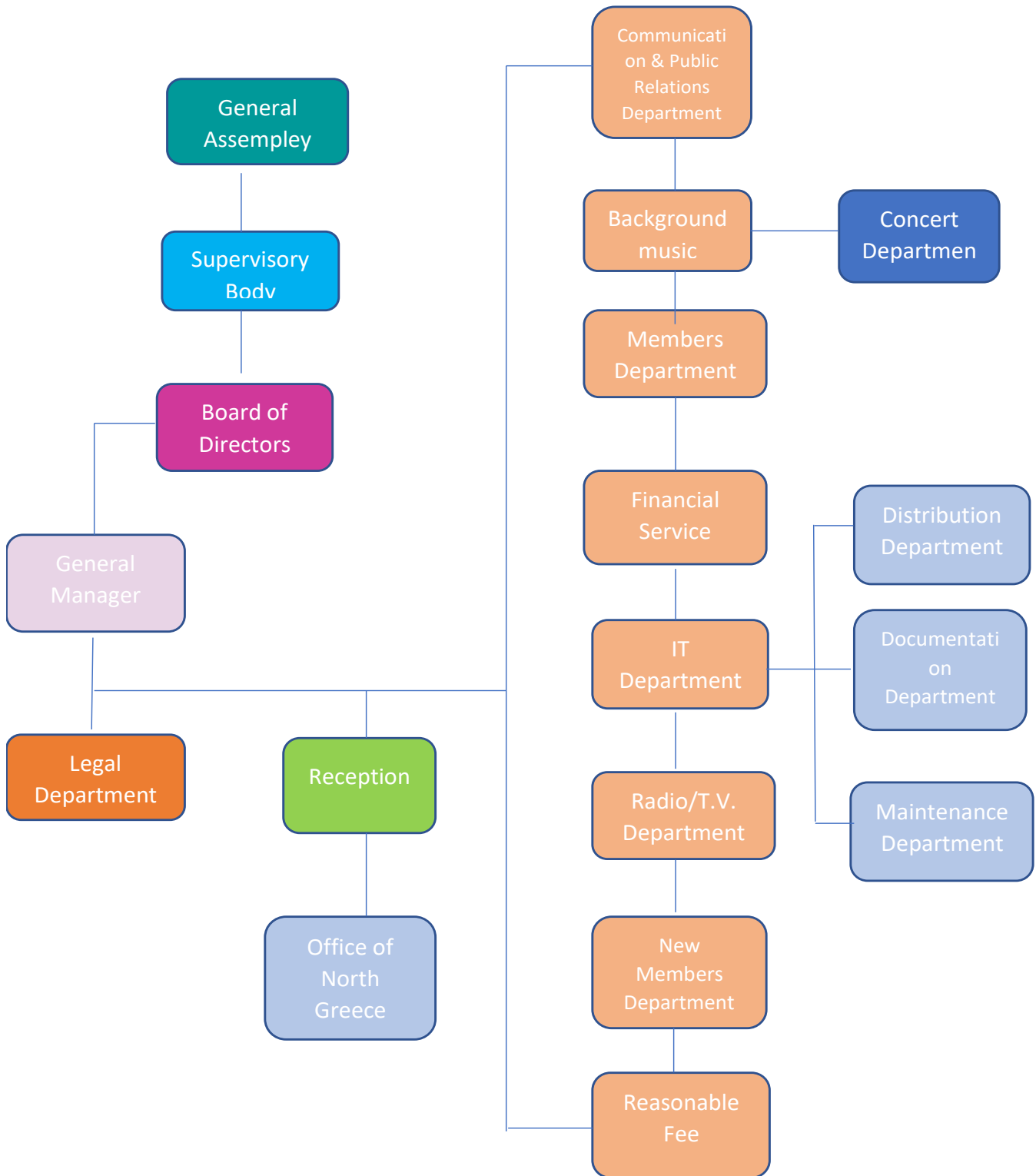
In accordance with the provisions of the Articles of Association that are valid up to this date, the daily management of cooperative affairs is exercised by the General Manager with the support of Directors, if this considered to be necessary the General Manager.

The General Director as well as other Directors cannot be members of Autodia or other collective management organizations of intellectual rights or independent entities of intellectual rights management

Based on the decision of 05.12.2019 of the B.O.D, relevant duties were assigned to the temporary General Director Mr. Margarita Panagiotopoulou. These duties are valid up to this day.

### 1.4.2.5 Organizational structure of organization

The following is an organization chart that depicts the organizational - administrative structure of the organization in 2020:



## 1.5 Information of other entities

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The Organization, in the fiscal year 2020, is not possessed or controlled directly or indirectly, completely or partially by any other Collective Management Organization or by any Independent Management Entity (IME) or by any form of Legal Entity.

Additionally, the Organization in the fiscal year 2020, does not control directly or indirectly, completely or partially any other Collective Management Organization or any Independent Management Entity or any form of Legal Entity

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## 1.6 Supervisory, Board of Directors and Management fees

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The detailed amounts listed below were received by the members of the Supervisory Board, the Board of Directors and the Chairman of the Organization for the fiscal year 2020 (Depending on the period of time that each person remained as a member of the B.O.D. Supervisory Body during the year 2020), their remuneration for the intellectual rights cases that occurred during the fiscal year 2020 and the remuneration of the General Manager of the Organization:

Mr. Nikos Antypas received by the Organization as compensation the gross amount of € 18.000,00 for his participation on the Board of Directors. Additionally, he received the gross amount of € 7.728,16 as payment for royalties.

Mrs Hrisa Papaioannou received by the Organization as compensation the gross amount of € 6.000,00 for his participation on the Board of Directors. Additionally, he received the amount of € 426,60 as payment for royalties.

Mr. Nikolaos Zoudiaris received by the Organization as compensation the gross amount of € 6.000,00 for his participation on the Board of Directors. Additionally, he received the gross amount of € 10.656,06 as payment for royalties.

Mr. Mixalis Avataggelos received by the Organization as compensation the gross amount of € 6.000,00 for his participation on the Board of Directors. Additionally, he received the gross amount of € 1.147,16 as payment for royalties.

Mr. Nikolaos Pitloglou received by the Organization as compensation the gross amount of € 6.000,00 for his participation on the Board of Directors. Additionally, he received the gross amount of € 164,91 as payment for royalties, the amounts which he did not receive in the fiscal year 2020.

Mrs Amaryllis Kakani received by the Organization as compensation the gross amount of € 6.000,00 for his participation on the Board of Directors. Additionally, she received as the representative of the company SONY MUSIC PUBLISHING (GREECE) LTD the amount of € 274.569,16 as payment for royalties.

Mr. Evangelos Fampas received by the Organization as compensation the gross amount of € 5.500,00 for his participation on the Board of Directors. Additionally, he did not receive in the fiscal year 2020, the gross amount of € 1.103,36 amount that occurred for royalties

Mr. Nikolaos Kourtis received by the Organization as compensation the gross amount of € 6.000,00 for his participation on the Board of Directors.

The compensation of Mr. Minos Mamagakis for his participation in the Board of Directors of the Organization amounts is rise up to of € 1.000,00. This amount was recorded and settled in the following fiscal year. Also, he did not receive in the fiscal year 2020, the gross amount of € 2.615,27 amount that occurred for royalties

Mr. Ioannis Glezos received by the Organization as compensation the gross amount of € 10.783,20 for his participation on the Board of Directors and also as Honorary President of the Organization as decided at the General Assembly of 30/9/2020 after his resignation from the Board of Directors on 06/8/2020, the gross amount of € 716,44 from royalties.

### **Supervisory Board**

The remuneration of the Supervisory Board for the financial year 2020 is as follows:

Mr. Michalis Stavrinoudakis has resigned from the right to receive compensation for his participation in the Supervisory Board from the time period from his initial election.

Mr. Evangelos Fampas received by the Organization as compensation the gross amount of € 500,00 for his participation on the Supervisory Body.

Mr. Aristidis Chatzistavrou received by the Organization as compensation the gross amount of € 6.000,00 for his participation on the Supervisory Body. Additionally, he partially receives in the fiscal year 2020, the gross amount of € 239,04 amount that occurred for royalties.

Mr. Nikolaos Papakostas received by the Organization as compensation the gross amount of € 5.500,00 for his participation on the Supervisory Body.

According to the decision of the Board of Directors dated 05.12.2019, the duties of General Manager were assigned temporary to Margarita Panagiotopoulou, due to extraordinary and special situation that happened in that time (revocation of leave and resignation of Mr. Giannis Stathakopoulos), Ms.



Margarita Panagiotopoulou received by the Organization as compensation the gross amount of € 42.000,00 which is net amount € 33.600,00. Also, during the year received the amount € 3.454,80 for other expenses and allowances (travel expenses etc.)

## 2. REVENUE – EXPENSES OF THE ORGANIZATION

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### 2.1 Organization revenue

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In fiscal year 2020, royalties' distribution for 2018, 2019 and 2020 was took place, the following sources of revenue were valid and the related retention rates of the Organizations administrative expenses:

#### MAIN SOURCES OF REVENUE

##### ◆ **EXECUTION RIGHTS**

- ✓ **CINEMA:** 20% withheld by Autodia of the amounts from this kind of intellectual rights
- ✓ **RIGHTS FROM CONCERTS:** 20% withheld by Autodia of the amounts charged to users (Concerts και live events)
- ✓ **RIGHTS FROM TV/RADIO BROADCAST:** 20% withheld by Autodia of the amounts charged to users (radio stations and the tv channels)

##### ◆ **MECHANICAL RIGHTS**

- ✓ **MECHANICALS RIGHTS BY AYDIOVISUAL MEANS :** The Autodia withholds 11% on mechanical reproduction rights from record companies and independent producers, including Kiosk Sales και Premiums
- ✓ **PRIVATE COPY:** 11% withheld by Autodia of the amounts from this kind of rights (private copy)
- ✓ **OTHER USES:** For other uses such as advertisements, theatrical productions, etc., where the prior consent of our beneficiaries / members is required, Autodia withholds 11% of the rights.

- ◆ **ONLINE:** The Autodia withholds 20% of the rights deriving from the online use of music

- ◆ **FOREING RIGHTS:** The Autodia withholds 5% of the rights deriving from foreign organization of intellectual rights
- ◆ **OTHER RIGHTS:** Autodia does not withheld an amount that relate to other rights/expenses apart from the aforementioned category of rights.
- ◆ **The Organization revenue for the fiscal year 2020 by type of use are analyzed as follows:**

○

Category of source	Type of use		Revenue from interest	Other income	Total Revenue
	Mechanical rights	Performing rights			
Background		2.030.505			2.030.505
Broadcasting		2.979.710			2.979.710
On line		761.078			761.078
Private Copy	707.090				707.090
Advertisements Mechanical	8.880				8.880
Mechanical	4.027				4.027
Concerts		50.226			50.226
Abroad		67.410			67.410
Credit interest			169		169
Extraordinary and non operating income				32.157	32.157
Other revenue				742	742
<b>TOTAL REVENUE 2020</b>	<b>719.997</b>	<b>5.888.929</b>	<b>169</b>	<b>32.899</b>	<b>6.641.994</b>
<b>TOTAL REVENUE FROM ROYALTIES:</b>	<b>6.608.926</b>				

## 2.2 Management cost of Organization

### 2.2.1 Management cost 2020

<b>EXPENSES</b>	<b>Amount 2020</b>
EMPLOYEE COMPENSATION AND EXPENSES	1.390.915
FREELANCE SALARY COMPENSATION (i.e Legal Consultants, Management Consultants, Accountants, IT support fees ,Representatives etc.)	655.322
MEMBER'S MUSICAL RIGHTS COMPENSATION	560.151
THIRD PARTY FEES AND EXPENSES (i.e Office rental , building repair & maintenance, lighting, telecommunication, telegraphs etc.)	153.244
TAXES-DUTIES	23.534
TRANSPORTATION EXPENSES (abroad – within country, transportaion expenses)	40.047
PROMOTION AND ADVERTISEMENT EXPENSES (webpage, exhibition, radio and television advertisement)	95.434
PRINTED MATERIAL AND OFFICE SUPPLY EXPENSES (consumables, ink, paper etc.)	2.488
OTHER EXPENSES (Judicial Expenses, Utilities, Cleaning material, Canteen Materials) Staff Training Costs, subscriptions - H.C.O contribution)	72.460
INTEREST CHARGES AND BANK EXPENSES	10.055
FIXES ASSETS DEPRECIATION	122.334
EXTRAORDINARY AND NON-OPERATING EXPENSES (fines and surcharges)	54.779
PRIOR PERIOD EXPENSES	1.061
<b>TOTAL EXPENSES</b>	<b>3.181.824</b>

The above expenses do not include expenses regarding social and cultural activities of the Organization, as no expenses were incurred for cultural activities in the period from 1/1/2020 to 31/12/2020. Total expenses amount of the Organization also includes the remuneration of the music rights of the members for the year 2020 amounting to € 560.151.

In conclusion, administrative expenditure of the Organization amounted to € 2.621.673 omitting remuneration of members. In case of exclude legal costs of no. 18 of Law 4481/2017, the stamp fee of Private Copy, the annual fee in favor of OPI, the debit interest, the extraordinary and inorganic expenses and the expenses of previous years, the operating expenses of the Organization for the year 2020 administrative expenditure amount to € 2.411.381.

### **2.2.2 Allocation by category of authority**

The total of expenditure is allocated proportionately per authority category for the overall operation of the Organization. The below analysis presents the category of expenses per authority. Some of these expenditures are indirect due to the fact that it cannot be entirely included either in the category of mechanical rights or in the category of performing rights.

From the total amount of payroll cost (management expenses) amounted € 1.390.915, the amount of € 56.556 concerns direct expenditure of mechanical rights and amount of € 643.295 concerns direct expenditure of performing rights.

The remaining amount of the payroll cost amounted to € 691.064 and concerns indirect costs and understanding by 10% in mechanical rights and by 90% in executive rights. The remaining operating expenses relate to the indirect costs and are also accounted for by 10% in mechanical rights and 90% in executive rights, as it presents in the table below

Indirect expenditure is the expenditure of the Organization, which cannot be apportioned either to mechanical or to performing rights because it regards the overall operative process of the Organization.

Expenses description	CATEGORY OF EXPENSES PER AUTHORITY				Total expenses
	Direct		Indirect		
	Mechanical rights	Performing rights	Mechanical rights	Performing rights	
EMPLOYEE COMPENSATION AND EXPENSES	56.556	643.295	69.106	621.957	1.390.915
FREELANCE SALARY COMPENSATION	0	0	65.532	589.790	655.322
THIRD PARTY FEES	0	0	15.324	137.920	153.244
TAXES-DUTIES		0	750	6.747	7.497
TRANSPORTATION EXPENSES	0	0	4.005	36.042	40.047
PROMOTION AND ADVERTISEMENT EXPENSES	0	0	9.543	85.891	95.434
PRINTED MATERIAL AND OFFICE SUPPLY EXPENSES	0	0	249	2.239	2.488
OTHER EXPENSES	0	0	4.375	39.374	43.748
FIXES ASSETS DEPRECIATION	0	0	12.233	110.101	122.334
<b>TOTAL OPERATING EXPENSES</b>	<b>56.556</b>	<b>643.295</b>	<b>181.118</b>	<b>1.630.060</b>	<b>2.511.029</b>
LEGAL COST	0	0	9.965	89.683	99.648
<b>TOTAL MANAGEMENT EXPENSES</b>	<b>56.556</b>	<b>643.295</b>	<b>171.153</b>	<b>1.540.377</b>	<b>2.411.381</b>
INTEREST CHARGES AND BANK EXPENSES	0	0	1.006	9.050	10.055
CONTRIBUTION O.P.I.			2.871	25.840	28.711
PRIVATE COPY TAXES	16.037				16.037
EXTRAORDINARY EXPENSES	0	0	5.478	49.301	54.779
PRIOR PERIOD EXPENSES	0	0	106	955	1.061
<b>TOTAL EXPENSES</b>	<b>72.593</b>	<b>643.295</b>	<b>190.578</b>	<b>1.715.206</b>	<b>2.621.673</b>

### 2.2.3 Withheld rates of royalties' revenue for the financing of management expenses

The deductions for the fiscal year 2020 are the following:

◆ 31,63 % to MECHANICAL RIGHTS

◆ 37,08 % to PERFORMING RIGHTS

<b>Withheld amounts for financing administrative expenses per authority category</b>			
<b>Category</b>	<b>Gross Revenue</b>	<b>% Gross Revenue</b>	<b>Amount</b>
Mechanical rights	719.997	31,63%	227.709
Performing rights	5.888.929	37,08%	2.183.673
Other revenue	33.068		
<b>Total</b>	<b>6.641.994</b>	<b>36,31%</b>	<b>2.411.381</b>

On the basis of the above, the Organizations administrative expenditure of Euro 1.037.693 settled through the following resources:

<b>Use of resources for financing administrative expenses</b>							
<b>Resources</b>	<b>Gross Revenue</b>	<b>Mechanical rights</b>	<b>Performing rights</b>	<b>% percentage from Mechanical rights</b>	<b>% percentage from Performing rights</b>	<b>Coverage amount of administrative expenses</b>	<b>Coverage amount of administrative expenses</b>
Background			2.030.505		37,08%		752.932
Broadcasting			2.979.710		37,08%		1.104.905
On line			761.078		37,08%		282.215
Private Copy		707.090		31,63%		223.627	
Advertisements Mechanical		8.880		31,63%		2.808	
Mechanical		4.027		31,63%		1.274	
Concerts			50.226		37,08%		18.624
Abroad			67.410		37,08%		24.995
<b>Total royalties revenue</b>		<b>719.997</b>	<b>5.888.929</b>			<b>227.709</b>	<b>2.183.672</b>
Credit interest	169						
Extraordinary and non operating income	32.157						
Other revenue	742						
Total other income	<b>33.068</b>	<b>719.997</b>	<b>5.888.929</b>			<b>227.709</b>	<b>2.183.672</b>
<b>TOTAL</b>		<b>6.641.994</b>		<b>36,31%</b>		<b>2.411.381</b>	

### **Article 18 part 5 of the Law 4481/2017**

The management costs of a collection organization should not exceed the justified and documented costs for the management of intellectual rights. Management costs should not exceed a total of one hundred percent (20%) of the gross revenue of the collective management organization.

The obligation of paragraph 5 of article 18 of Law 4481/2017 is valid from November 1, 2019. Therefore, for the year 2020 it is proportionally shown that the percentage for the management expenses for the year 2020 should not exceed 20% (amount € 1.328.399).

In conclusion, the total administrative operating costs without the legal and procedural expenses of article. 18 par. 5 of Law 4481/2027, the contribution in favor of OPI, the stamp charge of 1.8% of the fair fee, the financial expenses as well as the extraordinary and extraordinary expenses amounted € 2.411.381 and at a percentage of 36, 31% of the total gross income from intellectual rights of fiscal year 2020.

The above shows that withheld amounts are exceeded to cover the Organizations specific administration needs for the year 2020. Due to the exceed of the percentage of admin expenses under the relevant Law, the Supervisory Board of Organization implemented the procedures provided in article 18 paragraph 3 of Law 4481/2017, issued by the independent expert, the results of which were submitted to the Supervisory Board and accepted at the meeting of 11/6/2021, whereas this study shows that the above excess is justified. Furthermore, it is noted that the above excess of the withheld percentage of administrative expenses for the year 2020 in relation to the target budgets, will not exist if the following conditions did not occur at the same time, which resulted in reduced budgets, difficulty and inability to collect from users of each category:

- 1) The co-existence of the organization with EDEM / EEAS for the collective management of the same category of intellectual rights (lyric composers, music publishers) led to negative effects in the sector created a bad and unfair competition and confusion, divided the Greek music creators.
- 2) The pandemic effects from the beginning of the year 2020, led to the closure of restaurants and entertainment stores, cancellation of concerts, festivals and other cultural events by Greek state decision. These facts resulted in the cancellation of the collection of intellectual rights amounts for the year 2020, and because a large scale of users pay with delay.

This delay or inability of the organization to collect the rights of continues to this day due to the great economic crisis of companies that have music use. This economic crisis has been caused by the pandemic.

The above exceedance, which is included in the financial statements for the fiscal year 2020, was approved by a majority of the annual Regular General Assembly.

The limits for administrative costs are shown in the table below:

	2020	% Total Revenue
Total revenue	6.441.994	
Annual limit of administrative expenses	1.328.399	20%
Operating expenses (excluding distribution of rights, legal costs, annual fee of OPI, taxes for Private Copy)	2.411.381	36,31%
<b>Overdraft amount</b>	<b>1.082.982</b>	<b>16,31%</b>

It is noted that the current Distribution Regulation states that: "In exceptional cases where the withholding rates should be higher, approvals from the Board of Directors, the Supervisory Board and the General Assembly of the Organization will be required", conditions which for the year 2020 have analyzed above.

#### **2.2.4 Withheld amounts of royalty's revenue for the financing of social and cultural expenditures**

During the year 1/1/2020- 31/12/2020 the Organization did not have expenses for social-cultural activities.

## **3. DISTRIBUTION**

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### **3.1 Total distribution amount due to rightsholders**

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The amounts of distributions for the year 2020 are derived from receipts of the Organization, which have been documented according to the certified international standards. From these proceeds are deducted management expenses or any other withheld amounts / set-off amounts in accordance with Law 4481/2017. The difference is the net amount distributed to the rightsholders.

The total revenue of the Organization for the year 2020 amount to 6.641.994 Euro and the total expenses (including distributed and distributable royalties to the Members of the Organization amount to Euro 4.020.322) amount to Euro 6.641.994, thus the Organization has a zero result.

The total amount been distributed or to be distributed to the Organization's members from its revenues, amounted to 4.020.322 (Euro) and is presented as follows:

		<b>2020</b>
a)	Rights that are distributed since the clearing of the fiscal year 2020 (paid to beneficiaries in December 2020 in accordance with a BOD decision), net amount after contributions for management expenses	€ 560.151
b)	Mechanical rights for distribution of the year 2020, net amount after contributions for management expenses	€ 7.903
c)	Rights for distribution of the year 2020, net amount after contributions for management expenses	€ 3.452.268
<b>Total paid and due rights as of 31/12/2020</b>		<b>€ 4.020.322</b>

α) Rights that are distributed since the clearing of the fiscal year 2020 (**Distribution 2020 S2 A**):

Category of authority	Royalties Proceeds	Withheld amounts for cover admin expenses	Type of use		Total distribution
			Mechanical rights	Performing rights	
Background	601.267	120.219		601.267	481.029
Broadcasting	77.357	15.471		77.357	61.885
Abroad	12.910	646		12.910	12.264
Mechanical	2884	317	2.884		2.567
Concerts	1.699	340		1.699	1.359
Prior years balances (accounting adjustment)					1.047
<b>TOTAL</b>	<b>696.117</b>	<b>136.993</b>	<b>2.884</b>	<b>693.233</b>	<b>560.151</b>



b) Advertisements Mechanical distributable basis of relevant clearance of the year 2020:

Category of authority	Royalties Proceeds	Withheld amounts for cover admin expenses	Mechanical rights	Performing rights	Total distribution
Advertisements Mechanical	8.880	977	8.880		7.903
<b>TOTAL</b>	<b>8.880</b>	<b>977</b>			<b>7.903</b>

c) Rights distributable of the year 2020

Category of authority	Royalties Proceeds	Withheld amounts for cover admin expenses	Mechanical rights	Performing rights	Total distribution
Background	1.510.907	548.610		1.510.907	962.297
Broadcasting	2.561.274	929.998		2.561.274	1.631.275
Abroad	54.490	19.785		54.490	34.705
Online	514.078	186.662		514.078	327.416
Private Copy	707.090	256.744	707.090		450.345
Mechanical	1.231	447	1.231		785
Concerts	71.353	25.908		71.353	45.445
<b>TOTAL</b>	<b>5.420.422</b>	<b>1.968.155</b>	<b>708.320</b>	<b>4.712.102</b>	<b>3.452.268</b>

The Organization during the fiscal year 2020 and the beginning of 2021 resulted in the following distributions concerning periods of repertoire use until 31/12/2019 from the distributable rights of use fiscal year 2019:

a) Distribution 2020 S1 October 2020 (covered period of repertoire use 2018 and 2019)

Category of authority	Royalties Proceeds	Withheld amounts for cover admin expenses	Mechanical rights	Performing rights	Total distribution
Background	1.832.563	728.985		1.832.563	1.103.578
Broadcasting	366.345	145.732		366.345	220.613
Abroad	32.835	13.061		32.835	19.773
Online	13.439	5.346		13.439	8.093
Private Copy	0	0	0	0	0
Mechanical	2.521	1.003	2.521		1.518
Concerts	273.737	108.880		273.737	164.856
<b>TOTAL</b>	<b>2.521.440</b>	<b>1.003.008</b>	<b>2.521</b>	<b>2.518.919</b>	<b>1.518.432</b>

### b) Distribution 2020 S2 B January 2021 (covered period of repertoire use 2018 and 2019)

Category of authority	Royalties Proceeds	Withheld amounts for cover admin expenses	Mechanical rights	Performing rights	Total distribution
Background	39.859	15.810		39.859	24.049
Broadcasting	746.118	296.806		746.118	449.312
Abroad	26.229	10.432		26.229	15.797
Online	0	0		0	0
Private Copy	0	0		0	0
Mechanical	0	0		0	0
Concerts	11.828	4.705		11.828	7.123
<b>TOTAL</b>	<b>824.034</b>	<b>327.753</b>		<b>824.034</b>	<b>496.281</b>

### 3.2 Total undistributed amount of preceding fiscal years until 31/12/2020

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The total amount that remains undistributed to the beneficiaries from previous years (2015 - 2016) amounts to 31 December 2020 amount to € 162.592,47, which at the beginning of 2021 is reduced to € 151.682,56. These amounts, which have been approved by the statutory bodies, relate to undistributed rights from the profits of the above years due to insufficient data for the identification of the rights and due to a debt of some of these users. The Organization will continue its efforts to enable their distribution, otherwise the general assembly will decide how to manage them.

### 3.3 Frequency

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Regarding the frequency of payments for the fiscal year 2018, the Organization implement the provisions of its current Articles of Association and Law 4481/2017, according to no. 16 "Distribution is due to Members" of the article of association in which << distribution to members takes place proportionately ,as possible as can be, towards real usage of their works, as soon as possible, once annually and at the latest nine (9) months before the end of the tax year within which rights revenue was collected unless objective justifications relating specifically to submission of reports by users, the specification of rights, identification of members/rightsholders or corresponding information of works and other protection objects rightsholders/members, do not permit Autodia comply with this deadline>>

In accordance with par. 1 &2 of art.19 L. 4481/2017: 1) Distribution to members/rightsholders takes place proportionately, as possible as can be, based on real usage of their music works. 2) With reservation to paragraph 2, article 21 and article 37, collective management organizations distribute and disburse the amounts due to rightsholders regularly, with diligent, efficiently and in accordance with the distribution legislation. Each collective management organization or its members, being entities representing rightsholders, distribute as soon as possible and at the latest nine (9) months before the end of the tax year, in which royalties revenue was collected unless objective justifications relating specifically to submission of reports by users, the specification of rights, identification of members/rightsholders or corresponding information of works and other protection objects with rightsholders, do not permit collective management organization or per case of members to uphold this deadline.

Moreover, royalties' distribution frequency in accordance with the Distribution Regulations is as follow:

Distributions are held twice annually (June and December). In each distribution, revenues collected from various sources (e.g., radio, television, concerts) are cleared (documented) and reimbursed according to the table below. The revenues collected from the first half of the year are distributed in December of the same year. The revenues collected from the second half of the year are distributed in June of the following year.

<b>Period of Distribution</b>	<b>July to December</b>	<b>January to June</b>
<b>REVENUE SOURCES</b>	<b>DISTRIBUTION</b>	
Radio	June	December
Television	June	December
Cinema	June	December
Live music (Concert και live events)	June	December
Public Performance by mechanic support	June	December
Private copy		December

Device's sound and picture	June	December
Sound Devices	June	December
Online use of music	June	December
Foreign Distributions	June	December

### 3.4 Deadlines in accordance with par. 2, article 19 L.4481/2017

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The Organization proceeds to distribute for the fiscal year 2018,2019 (A' και B' semester) and 2020 (A' 2020). Organization sent royalties distribution clearance statements to its members, efficiently and accurately in accordance with the effective Distribution Regulations within the projected deadlines in accordance with art. 19, par. 2 L. 4481/2017. The relevant distributions occurred upon the issuance of relevant tax invoice and after members have been informed

### 3.5 Relations with other collective management organizations

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During 2020, Autodia further expanded its large network of collaborations with similar collective management organizations around the world, which had started in 2018, resulting in the increase of the international repertoire represented by the Organization in Greece. At the same time, the Greek repertoire of the Organization was represented in even more territories abroad. It is worth noting that the foreign Organizations collaborating with the Autodia up to date are 75.

In particular, the foreign collection organization that concluded a representation agreement with the Autodia are ANCO Moldova, UNISON Spain, AMRA USA, COTT Trinidad & Tobago and IPRS India. All of them assigned the representation of their repertoires for Greece to our Organization, with a contract of either mutual or unilateral representation. In addition, three contracting Organizations have decided to expand their cooperation with the Autodia for Mechanical Rights: RAO Russia, EAU Estonia and AKKA / LAA Latvia.

The above are listed in the following table:

<b>CMO / AOD</b>	<b>Country</b>	<b>Representation</b>
AKKA /LAA	Latvia	Mutual
AMRA	USA	Unilateral
ANCO	Moldavia	Mutual
COTT	Trinidad Tobacco	Mutual
EAU	Esthonia	Mutual
IPRS	India	Mutual
RAO	Russia	Mutual
UNISON	Spain	Unilateral

\* AUTODIA represents in Greece the repertoire of these Organizations

In addition, a milestone considers to be the effort of Autodia in order to operate in accordance with the highest European and international standards, and participation as a member of GESAC, following the unanimous decision of the latter on 26/11/2019, which is another evidence of the international recognition of the Organization and its constantly expanding.

The GESAC is an "umbrella entity" consisting of 32 Management Collection Organizations of Intellectual rights from all over Europe, and it is a member of CISAC. Together these Organization represent over one million music creators and rightsholders, from composers, lyricists and writers to visual artists, directors and many others working in the fields of Music, Audiovisual / Cinema and Fine Arts.

#### **Distribution of Rights amounts**

It is noted that during the fiscal year 2020, the Organization paid to foreign Organizations the amount of € 1.161.469,96 for rights.

Also, the Autodia received according to the relevant representation contracts, from the foreign Organizations in 2020 the amount of € 111.340.61.

## **4. SPECIAL REPORT ON SOCIAL, CULTURAL AND EDUCATIONAL EXPENDITURE**

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## 4.1 General information

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The Organization in accordance with its articles of association and be in compliance with European and international standards, proceeds to offer social, cultural and educational services in the best interest of rightsholders and the social community upon relevant decision by the members of the General Assembly

## 4.2 Actions – Sponsorships of the year 2020

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The Organization did not have expenses for the fiscal year 2020 regarding social, cultural and educational actions.

*Translated from original in Greek Language*

## **INDEPENDENT AUDITOR'S REPORT**

To the Supervisory Board of "AUTODIA" CO-OPERATIVE LTD ORGANISATION of INTELLECTUAL RIGHTS COOPERATIVE MANAGEMENT

### **Report on the Audit of the Financial Statements**

#### **Qualified Opinion**

We have audited the accompanying financial statements after receiving a special assignment from the Supervisory Board of "AUTODIA" CO-OPERATIVE LTD ORGANISATION of INTELLECTUAL RIGHTS COOPERATIVE MANAGEMENT (the Association), within the framework of its competences according to article 10, paragraph 12 of Law Act 4481/2017, which comprise the statement of financial position as at December 31, 2020, the cash flow statement and the income statement for the year then ended, and notes to the financial statements.

In our opinion, except for the matters discussed in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2020, and its financial performance for the year then ended in accordance with the regulations of Law Act 4308/2017 and 4481/2017 in force.

#### **Basis for Qualified Opinion**

The following matters arose from our audit:

1. Turnover of the closing year includes revenues from allowances amounting to euro 379.525,00 which have not yet become accrued. This is a departure from the accounting principles provided by the Greek Accounting Principles and according to our opinion the value of Accrued Income and Accrued Expenses, in the Statement of Financial Position, as well as the Turnover and the Royalties Distributable in the Income Statement represented equally increased.
2. The trade receivables of the Association also include overdue receivables from the previous year, amounting to € 150.000 approximately. This is a departure from the accounting principles provided by the Greek Accounting Principles and according to our opinion, an impairment of these receivables should be made, estimated to the amount of € 150.000 approximately. Due to this fact, the amount of trade receivables, profit and loss account and equity represented equally increased.
3. The Association has not made provision for employee retirement benefits, as a departure from the accounting principles provided by the Greek Accounting Principles. As of December 31, 2020, the total amount of the above provision should amount to € 82.871,88. As a result, the provision for employee retirement benefits appears decreased by € 82.871,88, equity appears increased by € 82.871,88 and the income statement appears increased by € 15.010,35.
4. The tax liabilities of the Association have not been audited by the tax authorities for the fiscal years 2014 to 2020. As a result, the tax outcome of these fiscal years has not been definitive. The Association has not estimated any additional taxes and fines that may rise in a future tax audit and has not made any provision for that contingent liability. Based on our audit, we have not obtained reasonable assurance about the estimate in the amount of the provision that may be required.

We conducted our audit in accordance with International Standards on Auditing (ISAs), as adopted in Greek Legislation. 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 Association in accordance with the Code of Conduct for Professional Auditors of the Board of International Standards of Auditors' Ethics, as adopted in Greek Legislation, and the ethical requirements that are relevant to our audit of the financial statements in Greece, 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 qualified opinion.

### **Matter of Emphasis**

We draw attention to Note "7.4. Transit accounts with material amount or particular frequency or importance" in the financial statements which indicates that, Accrued Expenses, amount of euro 5.269.918,33 relating to the remaining liabilities of the Association to copyright holders arising from the year 2020 and the previous years. Regarding this account we note the following:

Until the fiscal year 2015, there was no analytical balance sheet by category and by rights holder with a corresponding reconciliation of the General Accounts. From the year 2016 analytical statements have been created from the data collected, from the records maintained by the I.T. Department of the Association. In our estimation, accounting for the above accounts, in spite of the ongoing improvements made in the years 2015 to 2018, requires further improvements in the data for the years 2014 and earlier in order to ensure the accounting accuracy and audit, of the analytical data.

Our opinion is not modified in respect of this matter.

### **Other Matter**

The distribution of music rights and the excess of administrative expenses, as a percentage of the Organization's gross revenues from music rights, it's under approval by the next General Assembly of members, in the context of the approval of the Financial Statements.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the regulations of Law Act 4308/2017 and 4481/2017 in force, 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 Association'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 Association 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 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, as adopted in Greek Legislation, 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.

As part of an audit in accordance with ISAs, as adopted in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association'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 Association'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 Association 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.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Report on Other Legal and Regulatory Requirements**


Until the adoption of this Report, the special reports, provided by the Article 29 of Law 4481/2017, had not been compiled: (a) The special report on the use of sums spent for social, cultural, and educational purposes services and b) the Annual Transparency Report.

Considering that the administration is responsible for the preparation of the special report on the use of sums spent for social, cultural, and educational purposes services and the Annual Transparency Report,

pursuant to the provisions of paragraphs 2 and 3 of article 29 of Law 4481/2017 we note that:

Based on the knowledge we acquired during our audit of "AUTODIA" CO-OPERATIVE LTD ORGANISATION of INTELLECTUAL RIGHTS COOPERATIVE MANAGEMENT and its environment, we have not identified any material inaccuracies in the financial information reported in the Annual Transparency Report and the special report on the use of sums spent for social, cultural, and educational purposes services

**Yours sincerely,  
For Orion Certified Public Accountants SA  
CEO & President of the BoD**

  
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