



FINANCIAL STATEMENTS

for the year ended 31 December 2021

in accordance with

**International Financial Reporting Standards (IFRS) as adopted by the
European Union**

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Company Information

Board of Directors	Andrea Testi (Chairman of the Board) Ioannis Zissimos (Vice Chairman of the Board) Nikolaos Zachariadis (Chief Executive Officer) Marco Adriano Landoni (Member of the Board) Fabio Catalano (Member of the Board) Spiridon Kiartzis (Member of the Board) Vasileios Tsaitas (Member of the Board) Theodora Papadimitriou (Member of the Board)
Registered Office:	18-20 Amarousiou-Chalandriou Str. GR 15125, Maroussi, Greece
Registration number:	54352/01AT/B/03/416 Ministry of Economy and Development
General Commercial Registry:	009246101000
Auditors:	KPMG CERTIFIED AUDITORS S.A. 3, Stratigou Tombra St. 153 42, Aghia Paraskevi Athens, Greece

Independent Auditor's Report (Translated from the original in Greek)

To the Shareholders of
Elpedison Power Generation Single Member S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Elpedison Power Generation Single Member S.A. (the "Company") which comprise the Statement of Financial Position as at 31 December 2021, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of Elpedison Power Generation Single Member S.A. as at 31 December 2021 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), which have been incorporated 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 Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the ethical requirements that are relevant to the audit of the financial statements in Greece and we have fulfilled our ethical responsibilities in accordance with the requirements of the applicable legislation and the aforementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors' Report, which is further referred to in the "Report on Other Legal and Regulatory Requirements", but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this respect.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards as adopted

by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements 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 which have been incorporated 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, which have been incorporated 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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 Management 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

1. Board of Directors' Report

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report, pursuant to the provisions of paragraph 5 of Article 2 (part B) of Law 4336/2015, we note that:

- (a) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of Articles 150 of L. 4548/2018 and its contents correspond with the accompanying Financial Statements for the year ended 31 December 2021.
- (b) Based on the knowledge acquired during our audit, relating to Elpedison Power Generation Single Member S.A. and its environment, we have not identified any material misstatements in the Board of Directors' Report.

2. Segmented by activity Balance Sheets and segmented by activity Income Statements before tax

We have audited the segmented by activity Balance Sheets of the Company as at 31 December 2021, as well as the segmented by activity Income Statements before tax for the period from 1 January 2021 up to 31 December 2021 presented in Note 26 to the financial statements. The preparation of the aforementioned segmented by activity Balance Sheets and Income Statements before tax (hereinafter the "Separated Financial Information") is the responsibility of the management of Elpedison Power Generation Single Member S.A. and have been prepared in accordance with the provisions of Law 4001/2011 and the No. 124/2017 and the No. 162/2019 decisions of the Regulatory Authority for Energy, regarding the approval of the rules for the allocation of the Assets and Liabilities, Expenses and Income to each segment. The segmentation methodology applied is described in detail in Note 26 to the financial statements.

The audit of the Separated Financial Information primarily focuses on the determination of whether the Company has properly applied the segmentation rules and whether it has complied with its obligation for the avoidance of discriminations and cross-subsidization between the separate activities.

Based on our audit, we have determined that the segmented per activity Balance Sheets as at 31 December 2021 and segmented per activity Income Statements before tax for the period from 1 January 2021 to 31 December 2021 presented in Note 26 to the financial statements of the Company have been prepared in accordance with the provisions of Law 4001/2011 and the No. 124/2017 and the No. 162/2019 decisions of the Regulatory Authority for Energy.

Athens, 14 July 2022

KPMG Certified Auditors S.A.
AM SOEL 114

Dimitrios Tanos, Certified Auditor Accountant
AM SOEL 42241

Statement of Financial Position

		As at	
	Note	31 December 2021	31 December 2020 Restated
ASSETS			
Non-current assets			
Property, plant and equipment	5	204.713	219.959
Intangible assets	6	3.872	3.514
Trade and other receivables	9	13.088	6.252
		221.673	229.725
Current assets			
Inventories	8	18.767	28.707
Trade and other receivables	9	409.640	169.779
Cash and cash equivalents	10	10.783	11.321
		439.190	209.807
Total assets		660.863	439.532
EQUITY			
Share capital	11	99.634	99.634
Share premium	11	44.996	44.996
Reserves	12	1.330	1.330
Accumulated Losses		(18.282)	(70.890)
Total equity		127.678	75.070
LIABILITIES			
Non- current liabilities			
Deferred income tax liabilities	7	17.265	9.904
Other non-current liabilities	13	17.449	16.156
Employee benefit obligations	15	224	184
		34.938	26.244
Current liabilities			
Trade and other payables	13	285.775	133.805
Current portion of long term borrowings	14	212.472	204.413
		498.247	338.218
Total liabilities		533.185	364.462
Total equity and liabilities		660.863	439.532

The notes on pages 13 to 63 are an integral part of these financial statements.

The comparative information has been restated due to a change in accounting policy (note 2.1.3)

These financial statements of Elpedison S.A. for the year ended 31 December 2021 were approved by the Board of Directors on 30 June 2022.

Chairman of the Board

Chief Executive Officer

The Accountant

Andrea Testi

Zachariadis Nikolaos

Marinos Kistanis
Ernst & Young Business
Advisory Solutions S.A

Statement of Comprehensive Income

		Year ended	
	Note	31 December 2021	31 December 2020 Restated
Revenue	16	1.491.104	684.880
Cost of sales	18	(1.389.615)	(648.538)
Gross profit		101.488	36.342
Distribution costs	18	(10.379)	(7.839)
Administrative expenses	18	(24.500)	(15.547)
Other income	17	4.732	2.865
Other gains/(losses), net	19	27	1
Operating profit / (loss)		71.369	15.822
Finance costs	20	(10.110)	(8.676)
Finance income	20	494	472
Net Finance cost		(9.616)	(8.204)
Profit/(Loss) before income tax		61.753	7.618
Income tax	21	(9.148)	7.142
Profit/(Loss) for the year		52.605	14.760
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains/(losses) on defined benefit pension plans	15	4	(18)
Deferred tax on actuarial gains/ (losses)	7	(1)	4
		3	(14)
Items that may be reclassified subsequently to profit or loss			
Fair value gains/(losses) on cash-flow hedges	9	-	2.149
		-	2.149
Other comprehensive income/(loss) for the year, net of tax		3	2.135
Total comprehensive Income/(Loss) for the year		52.608	16.895

The notes on pages 13 to 63 are an integral part of these financial statements.

The comparative information has been restated due to a change in accounting policy (note 2.1.3)

Statement of Changes in Equity

	Share Capital	Share Premium	Reserves	Accumulated Losses	Total Equity
Balance at 1 January 2020 as Reported	99.634	44.996	1.330	(88.098)	57.862
Impact of change in accounting policy (IAS 19)				313	313
Balance at 1 January 2020 as Restated	99.634	44.996	1.330	(87.785)	58.175
Comprehensive income					
Net Profit/(Loss) for the year	-	-	-	14.760	14.760
Other comprehensive income	-	-	-	2.135	2.135
Total comprehensive income/(loss)	-	-	-	16.895	16.895
Balance at 31 December 2020 as Restated	99.634	44.996	1.330	(70.890)	75.070
Balance at 1 January 2021	99.634	44.996	1.330	(70.890)	75.070
Comprehensive income					
Profit/(Loss) for the year	-	-	-	52.605	52.605
Other comprehensive income	-	-	-	3	3
Total comprehensive income/(loss)	-	-	-	52.608	52.608
Balance at 31 December 2021	99.634	44.996	1.330	(18.282)	127.678

The notes on pages 13 to 63 are an integral part of these financial statements.

Statement of Cash Flows

		Year ended	
		31 December 2021	31 December 2020 Restated
Cash flows from operating activities			
Profit for the year		61.753	7.618
Adjustments for:			
Depreciation and amortisation	5,6	22.315	28.386
Provision for impairment of trade receivables	9	4.677	3.181
Amortisation of deferred borrowing cost	14	584	604
Provisions for retirement benefits obligation	15	53	96
Interest income	20	(494)	(472)
Interest expense and similar charges	20	9.453	7.991
		98.341	47.404
Change in operating assets and liabilities			
(Increase) / Decrease in other long term assets	9	(6.836)	2.427
(Increase) / Decrease in inventories	8	9.940	(14.421)
(Increase) / Decrease in receivables	9	(246.687)	(39.960)
Increase / (Decrease) in payables	13	152.344	13.896
Cash generated from operating activities		(91.239)	(38.058)
Interest paid	20	(7.479)	(8.010)
Net cash inflow generated from operating activities		(377)	1.336
Cash flows from investing activities:			
Additions to property, plant & equipment and software	5, 6	(6.858)	(7.428)
Interest received		-	1
Net cash outflow used in investing activities		(6.858)	(7.427)
Cash flows from financing activities:			
Proceeds from borrowings	14	50.000	21.000
Repayment of borrowings	14	(42.000)	(16.000)
Deferred borrowing costs paid	14	(525)	(80)
Repayment of leases		(779)	(684)
Net cash used in financing activities		6.696	4.236
Net increase/(decrease) in cash and cash equivalents		(538)	(1.855)
Cash and cash equivalents at the beginning of the financial year	10	11.321	13.176
Cash and cash equivalents at 31st December		10.783	11.321

The notes on pages 13 to 63 are an integral part of these financial statements.

The comparative information has been restated due to a change in accounting policy (note 2.1.3)

Notes to the financial statements

1 General information

Elpedison Power Generation Single Member Société Anonyme with distinctive title Elpedison S.A., (the “Company”) was established on 27 May 2003. **Elpedison B.V.** owns 100% of the share capital of the Company. The registered address of the Company is 18-20 Amarousiou Chalandriou Str., 15125 Amarousion.

The Company’s activities are the generation, purchase, trading and supply of electricity, purchase, resale and supply of natural gas and sale of energy services and other services connected to the retail sale of electricity and natural gas.

In accordance with the decisions of the Ministry of Development – Department of Energy, the Company obtained operating permits on 22 December 2005 for Thessaloniki Plant and on 7 December 2010 for Thisvi Plant.

As at 31 December 2021 the Company had 226 employees and 4 seconded employees, (FY 2020: 205 employees and 4 seconded employees).

The financial statements of Elpedison S.A. for the year ended 31 December 2021 were approved for issue by the Board of Directors on 30 June 2022.

2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Elpedison S.A. for the year ended 31 December 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and present the financial position, results of operations and cash flows of the Company on a going concern basis.

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving an extensive judgment or complexity or where assumptions and estimates have a significant impact on financial statements are disclosed in Note 4, “Critical accounting estimates and judgments”.

These estimates are based on management’s best knowledge of current events and actions and actual results ultimately may differ from those estimates. Revisions to estimates are recognised prospectively.

2.1.1 Going Concern

In assessing going concern, management has taken into consideration macro-economic and Company's specific factors and their impact on the Company's operations:

Year 2021 as 2020 was characterised by the Covid-19 pandemic, which started to affect all sectors of the society on a global scale from March 2020. Overall, the utility (power and natural gas) sector was less affected than others: total electricity demand in Greece in year 2021 increased by 4,6% compared to 2020 demand.

The Company took timely and effective measures in order to secure the health and safety of its employees, which resulted to a continuing operation without disruption, contributing to the country's energy security. The impact of the Covid-19 pandemic on the Company's financial performance has been limited.

In parallel, the Company responded promptly in order to minimize the potential financial impact of the pandemic and the 2021 energy crisis by securing additional credit lines of 65 million Euro in 2020 and 17 million Euro in 2021, which also provided the necessary working capital flexibility for supporting the future continuing growth of the Company.

The Company has successfully extended its loans which were due on September 30, 2021 for another one year with the option the maturity date to be extended by six more months up to March 31 2023. The all-in cost is 2,86% compared to an all-in cost of 3,53% for the matured loans, resulting in an annual interest saving of approx. € 1,2 million.

The total amount of the Company's borrowings is guaranteed by the shareholders.

Management, based on the above considerations and taking into account the following additional factors:

- The increase in revenue, operating profit, and of the profit for the year achieved for the year ended 31 December 2021, in comparison to the prior year,
- The successful implementation of its Business Plan for the next five years,

has concluded that (a) the going concern basis of preparation of the accounts is appropriate, (b) all assets and liabilities of the Company are appropriately presented in accordance with the Company's accounting policies.

2.1.2 New standards, amendments to standards and interpretations

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB) and their application is mandatory from or after 01/01/2021. The Company's assessment of the impact of the application of the new standards, amendments and interpretations is set out below.

A. New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union.

- **IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2' (effective for annual periods beginning on or after 1 January 2021)**

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, completing its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). In particular, the amendments provide for a practical expedient when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, to require the effective interest rate to be adjusted, equivalent to a movement in a market rate of interest. Also, the amendments introduce reliefs from discontinuing hedge relationships including a temporary relief from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. Furthermore, the amendments to IFRS 4 are designed to allow insurers who are still applying IAS 39 to obtain the same reliefs as those provided by the amendments made to IFRS 9. There are also amendments to IFRS 7 Financial Instruments: Disclosures to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 with earlier application permitted. The amendments did not have an impact on the financial statements of the Company.

- **IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions' (effective for annual periods beginning on or after 1 June 2020)**

The amendment applies, retrospectively, to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorized for issue at 28 May 2020. IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. The amendment provides a practical expedient for the lessee to account for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification, only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
- There is no substantive change to other terms and conditions of the lease.

In March 2021 the IASB issued a proposal to extend the relief period by another year, i.e. to apply the practical expedient on rent concessions to a change in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual periods beginning on or after 1 April 2021, with earlier application permitted. The amendment did not have an impact on the financial statements of the Company.

New Standards, Interpretations, Revisions and Amendments to existing Standards that are not yet effective and not early adopted by the European Union.

- **IFRS 17 “Insurance Contracts” (effective for annual periods starting on or after 01/01/2023)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The standard will not have any impact on the Financial Statements. The above have not been adopted by the European Union.

IFRS 16 (Amendment) “Covid-19-Related rent concessions” (effective for annual periods beginning on or after April 1, 2021): The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before June 30, 2022.

- **IAS 37 (Amendment) “Onerous contracts – Cost of fulfilling a contract”** (effective for annual periods beginning on or after January 1, 2022): The amendment clarifies that ‘costs to fulfil a contract’ comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

IFRS 3 (Amendment) “Reference to the Conceptual Framework” (effective for annual periods beginning on or after January 1, 2022): The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

- **IAS 12 (Amendments) “Deferred tax related to Assets and Liabilities arising from a Single Transaction”** (effective for annual periods beginning on or after January 1, 2023): The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

- **Amendment to IFRS 1 “Classification of liabilities as short-term or long-term” (effective for annual periods starting on or after 01/01/2022)**

The amendment clarifies that liabilities are classified as short-term or long-term based on the entitlements in force at the end of the reporting period. The classification is not affected by the entity's expectations or events after the reporting date. In addition, the amendment clarifies the meaning of the term “settlement” of an obligation in IAS 1. The amendment has not yet been adopted by the European Union.

• **IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments)**

The Amendments are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures.

• **IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments)**

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors.

The Company will assess the possible impact of the aforementioned amendments which, however, have not yet been adopted by the European Union.

2.1.3 Attributing Benefit to Periods of Service (IAS 19 Employee Benefits) – IFRS Interpretation Committee (IFRS IC or IFRIC) Agenda Decision issued May 2021.

The International Financial Reporting Interpretations Committee issued the final agenda decision in May 2021, under the title "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory material regarding the way of distribution of benefits in periods of service following a specific defined benefit plan proportionate to that defined in Article 8 of Law 3198/1955 regarding provision of compensation due to retirement (the "Labor Law Defined Benefit Plan").

This explanatory information differentiates the way in which the basic principles and regulations of IAS 19 have been applied in Greece in the previous years, and therefore, according to what is defined in the "IASB Due Process Handbook (par 8.6)", entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly. Based on the above, the aforementioned final decision of the Committee's agenda is treated as a Change in Accounting Policy. The aforementioned decision is implemented retrospectively to Company's Financial Statements in accordance with paragraphs 19-22 of IAS 8.

Relevant changes are presented below:

Statement of Financial Position	As Reported 01 January 2020	Adjustments	01 January 2020 Restated	As Reported 31 December 2020	Adjustments	As Restated 31 December 2020
Total assets	411.230	-	411.230	439.532	-	439.532
EQUITY AND LIABILITIES	As Reported 01 January 2020	Adjustments	01 January 2020 Restated	As Reported 31 December 2020	Adjustments	As Restated 31 December 2020
Total equity	57.862	276	58.138	74.699	371	75.070
Total liabilities	353.368	(276)	353.092	364.833	(371)	364.462
Total equity and liabilities	411.230	-	411.230	439.532	-	439.532

Statement of total comprehensive Income	As Reported 31 December 2020	Adjustments	As Restated 31 December 2020
Profit/(Loss) for the year	14.746	14	14.760
Other Comprehensive Income	2.091	44	2.135
Total comprehensive Income/(Loss) for the year	16.837	58	16.895

2.2 Foreign currency

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Euro, which is the Company's functional and presentation currency.

(b) Foreign currency transactions

Transactions in foreign currency are translated into the respective functional currency using the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in the statement of comprehensive income and presented withing finance cost. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income in the financial statement line that is relevant to the specific transaction.

2.3 Property, plant and equipment

All property, plant and equipment is shown at historical cost less accumulated depreciation and subsequent impairment. Cost includes expenditure that is directly attributable to the acquisition of property, plant & equipment. Land is not depreciated.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance are charged to the statement of comprehensive income as incurred except for the general refurbishment costs of the energy plant which are capitalised and charged against income on a straight-line basis for a period until the next scheduled refurbishment.

Depreciation on assets is calculated using the straight-line method over their estimated useful life, as shown on the table below for the main classes of assets:

-Buildings	20-30 years
-Machinery, and equipment	20-30 years
-Furniture and fixtures	5 years
-Transportation equipment	6 years
-Computer hardware & software	3 - 5 years

The assets' residual value and the useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. In 2021, following the completion of an upgrade the Thessaloniki plant's useful life was extended for 16 years.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (See note 2.6)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Comprehensive Income within 'Other gains/(losses), net' as appropriate.

In 2021, following the completion of the renewal and upgrade of the Thessaloniki plant, the company decided to change its useful life. Specifically, the remaining useful life of the plant was adjusted to 36 years from 20 years which it was initially.

The positive effect of the change in accounting estimate for the period 01/01/2021-31/12/2021 amounted to 9,7 million and affected the tangible assets and the results of the company for the same period. Up to 2025 the effect will be positive approximately 9,5 million per year.

2.4 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised over the period of time that is required to complete and prepare the asset for its intended use. An asset fulfilling the requirements is an asset necessarily requiring a significant period of preparation for the use it is intended for, or for its sale.

Borrowing costs are capitalised to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. All other borrowing costs are expensed.

2.5 Intangible assets

Computer software

These include primarily the costs of implementing the computer software programs.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over their estimated useful lives (3 years).

Shallow connection

Shallow connections are Natural Gas Transmission System expansion projects needed for the connection of a single consumer, from the battery limits of the consumer's installations up to the existing gas transmission infrastructure. The Shallow connections are constructed by DESFA (Hellenic Gas Transmission System Operator S.A) and part of the relevant cost charged to the consumer is up to the maximum amount of EUR 3 million plus inflation (defined with a ministerial decision), in return for the exclusive right to use this connection.

Accordingly, the total cost charged by DESFA to the Company is treated as an intangible asset and is amortised over the same useful economic life as the respective Plant (20 years).

2.6 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Other assets that are subject to amortisation or depreciation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. (Current value of cash flows anticipated to be generated based on the management's estimates of future financial and operating conditions).

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.7 Environmental Securities (Emission Rights)

Elpedison S.A. requires a supply of environmental securities (emission rights) to meet its own requirements in the exercise of its industrial activities (so-called “own use”). The emission rights can be purchased or sold in the open market. Emission rights in the possession of the Company at the balance sheet date that are in excess of the amount required to be matched against the actual emissions of the Company during the year, are treated as intangible assets and are recognized at the cost incurred to acquire them. The allowances recognized are not amortised, provided residual value is at least equal to carrying value. The residual value of the rights is the value at which they are traded in the open market. On the other hand, if the Company’s actual emissions during the year exceed the value of the emission rights in the Company’s possession, the Company raises a provision for the estimated cost of the purchase of the emission rights necessary to cover the difference. Any emission rights that are purchased to cover prior year liabilities are netted-off against the provision set up for this purpose at the end of that year, with any difference recognized in the Statement of Comprehensive Income. Emission rights are recognized in the Statement of Comprehensive Income as they are delivered to the government in settlement of the liability for emissions on a units-of –production basis.

2.8 Financial assets

Recognition and initial measurement, classification

On initial recognition the Company classifies its financial assets as measured at amortised cost and financial assets at fair value through profit or loss. Financial assets are not reclassified subsequent to the initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. The Company does not have FVOCI-debt or equity investments.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows ;and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above, are classified as FVTPL. This includes all derivative financial assets.

Financial assets-subsequent measurement

Financial assets at FVTPL

These assets are subsequently, measured at fair value. Net gains and losses, including any interest, are recognised in profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit and loss. Any gain or loss in derecognition is recognised in profit and loss.

Financial liabilities, classification, subsequent, measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held- for- trading, as a derivative or designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit and loss.

Derecognition

Financial assets

The Company derecognises a financial asset when:

- The contractual rights to the cash flows from the financial asset expire; or
- It transfers the rights to receive the contractual cash flows in a transaction in which either:
 - Substantially all the risks and rewards of ownership of the financial asset are transferred; or
 - The Company neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, or cancelled, or expired. The Company also derecognise a financial liability when its terms are modified and the cash flows from the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On the derecognition, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the profit and loss when, and only when, the Company currently has a legally enforceable right to set-off the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

IMPAIRMENT OF NON FINANCIAL ASSETS

At each reporting date the Company reviews its non-financial assets that are subject to amortisation or depreciation to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. For impairment testing, assets are grouped together into the smallest group of assets that generated cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of other assets in the CGU on a pro rata basis.

2.9 Derivative financial instruments and hedging activities

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company is exposed to a USD FX risk, through the portion of its gas cost that is expressed in USD and that its suppliers convert into Euro by using the foreign exchange rate at a specific date. The Company mitigates this risk by using a fair value hedge on a daily basis, which consists of a simple foreign exchange forward contract. Consequently, the Company designates derivatives as hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items.

The fair value of derivative instruments used for hedging purposes is disclosed in note 20. The total fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the statement of comprehensive income as they arise.

2.10 Inventories

Inventories are comprised of spare parts for maintenance and proper operation of the power plants and of fuel oil reserve as an alternative fuel, classified as "Consumable materials" and LNG.

Inventories are stated at the lower of cost and net realisable value. Cost of inventories is determined using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.11 Trade receivables

Trade receivables, which generally have 15-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment is recognised in the Statement of Comprehensive Income. (Note 9)

2.12 Insurance and other claims

Insurance and other claims are included in other receivables, are recorded on an accrual basis and represent the claimable expenses, net of deductibles, which are expected to be recovered from insurance companies. The Company recognizes receivables from insurances only when the realization of the related economic benefit is virtually certain. Any remaining costs to finalize the claims are included in other liabilities.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments such as marketable securities and time deposits with original maturities of three months or less.

2.14 Share capital

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

Any excess of the fair value of the consideration received over the par value of the shares issued is recognised as "share premium" in shareholder's equity.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost using the effective interest rate method. Interest expense and foreign exchange gain and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.16 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the Statement of Comprehensive Income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or in equity, respectively.

Current income tax charge is calculated according to tax rates and tax laws that were applicable on the taxable income of each year.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit nor loss is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance-sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

To the extent that it is not probable that taxable profit will be available against which the unused tax losses can be utilised, deferred tax asset is not recognized.

2.17 Employee Retirement Benefits

The Company has both defined benefit and defined contribution plans.

Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Company pays contributions to publicly administered Social Security funds on a mandatory basis. The staff is mainly covered by the main National Insurance Agency in relation to the private sector ("EFKA"), which provides retirement and medical benefits. Each employee is required to contribute part of their monthly salary to the fund, part of the overall contribution is paid by the Company.

The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company's defined benefit plan is an "insurance pension plan", according to which, in case of employees' retiring, 100% of the insured individual amount will be paid at the time of retirement.

Defined benefit plan

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive upon retirement, usually dependent on one or more factors such as age, years of service and compensation. The Company is required by law to pay employees a lump sum benefit upon retirement. This classifies as a defined benefit which is not funded.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The current service cost of the defined benefit scheme that is recognized in the Statement of the Comprehensive Income in "Payroll and related Expenses" reflects the increase in the defined benefit obligation resulting from an employee's service in the current period, benefit charges, cut-backs and settlements. The recognised prior service cost is directly recognised in profit/loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Net interest cost is assessed at the net amount between the obligation for the defined scheme and the fair value of the assets of the scheme on the prepayment interest rate.

Past-service costs are recognized immediately in the statement of comprehensive income

Termination benefits are payable when employment is terminated before the normal retirement date. The termination benefits are calculated according to the provisions of the law.

2.18 Trade and other payables

Trade and other payables are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

2.19 Leases

Where the Company is the lessee

At inception of contract, the Company assesses whether the contract is or contains, a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use-asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use-asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers the ownership of the underlying asset at the end of the lease term or the cost of the right-of-use-asset reflects that the Company will exercise the purchase option. In that case the right-of-use-asset will be depreciated over the useful life of the underlying asset which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use-asset is periodically reduced for impairment losses, if any, and adjusted for any remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement day, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined the Company's incremental borrowing rate. Generally, the Company uses the incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in the future lease payments arising from a change in the index or rate, if there is a change in the Company's estimate of the amount expected to be paid under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the profit or loss if the carrying amount has been reduced to zero.

The Company present the right-of-use assets in property, plant and equipment and the lease liabilities in other non-current liabilities and trade and other payables in the Statement of Financial Position. Right-of-use assets and lease liabilities are separately presented in the notes to the financial statements (see note 5 and 13 accordingly).

2.20 Provisions for Risks and Charges

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: the Company has a present legal or constructive obligation as a result of past events; it is

more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the increases specific to the liability.

2.21 Environmental liabilities

Environmental expenditure that relates to current or future revenues is expensed or capitalized as appropriate. Expenditure that relates to an existing condition caused by past operations and that does not contribute to current or future earnings is expensed.

The Company complies with existing legislation and all obligations resulting from its environmental and operational licenses.

Liabilities for environmental remediation costs are recognized when environmental assessments or clean-ups are probable and the associated costs can be reasonably estimated. Generally, the timing of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites.

2.22 Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognized as follows:

(a) Sales of electricity

Revenue from Generation

Revenue from the sale of electricity is recognized over time based on the monthly production provided to the Greek national grid, as confirmed by HEnEx S.A. (Hellenic Energy Exchange S.A.) and ADMIE (Independent Power Transmission Operator).

Cross Border revenue

Cross border revenue is recognized over time as electricity being transmitted through the cross-border connections and is based on the monthly measurements that HEnEx and the other Operators, communicate to the Company. These monthly measurements include the total imported and exported quantities that have been sold to the domestic and external markets. For these sold quantities, the Company issues and receives the respective invoices every month.

Electricity Retail Market Revenue

Revenue from the sale of electricity to the retail market is recognized over the period that electricity is provided to customers on an annual basis and is measured on a monthly basis, based on measurements that ADMIE communicates for Medium Voltage Customers and on estimations based on the historical consumption that the Hellenic Electricity Distribution

Network Operator S.A (DEDDIE) communicates for Low Voltage (LV) Customers. Based on these measurements provided by ADMIE and the forecasts provided by DEDDIE which contain the consumption per metering point and combined with the contractual terms, each client receives a monthly bill per metering point. For LV customers, the bills are “on-account” until DEDDIE communicates the actual consumption of the period, and subsequently, a settlement invoice is issued.

Gas Retail Market Revenue

Revenue from the sale of natural gas to the retail market is recognized over the period that natural gas is provided to customers on an annual basis and is measured on a monthly basis, based on measurements that DEDA communicates for Medium Pressure (MP) Customers and on estimations based on the historical consumption that the Public Gas Distribution Network S.A (DEDA) communicates for Low Pressure (LP) Customers. Based on these measurements provided by DEDA which contain the consumption per metering point and combined with the contractual terms, each client receives a monthly bill per metering point. For LP customers, the bills are “on-account” DEDA communicates the actual consumption of the period, and subsequently, a settlement invoice is issued.

(b) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

2.23 Dividend distribution

Dividend distribution to the Company’s shareholders is recognized as a liability in the Company’s financial statements in the period in which the dividends are approved by the Shareholders’ assembly.

3 Financial Risk Management

This note describes the policies and principles adopted by Elpedison S.A. to manage and control the commodity price risk that arises from the volatility of the prices of energy commodities and environmental securities (CO2 emissions) and other risks related to financial instruments (market risk, credit risk and liquidity risk).

As required by IFRS 7, the paragraphs that follow provide information about the nature of the risk related to financial instruments, based on accounting and management sensitivity considerations.

In this economic and regulatory environment, management continuously assesses the situation to ensure that all necessary actions and measures are taken in order to minimize any impact in the operations of the Company.

3.1 Market Risk

1. Commodity Price Risk and Exchange Rates Risk Related to Commodity Transactions

The Company's revenue and cost of production is affected by fluctuations in the prices of the energy commodities that it handles (electric power, natural gas, environmental securities). These fluctuations affect the Company both directly and indirectly through indexing mechanisms contained in pricing formulas.

2. Cash flow and fair value interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company is exposed to cash flow interest rate risk, as borrowings are at floating rates.

The interest rate that the Company is exposed to is the 3-month Euribor. If interest rates on borrowings had been, during 2021, 0,15% higher/lower with all other variables held constant, pre-tax profit/loss for the year would have been approximately 291 K Euro lower/higher, as a result of higher/lower interest expense.

3.2 Liquidity risk

The liquidity risk represents the risk that the Company may not have access to sufficient financial resources to meet its financial and commercial obligations in accordance with agreed terms and maturities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Bond loans of the Company are guaranteed by the Shareholders (Note 14 to the financial statements). The Bond Loans that the Company had received for the construction of its two power plants are maturing on 30 September 2022 with the option the Final Repayment Date to be extended up to 31 March 2023.

Additionally, within 2021 Credit Facility and Guarantee Facility Agreements have been signed with Alpha Bank for a total amount of € 17 million. The Company's total credit facilities amount to € 109,8 million. As at 31 December 2021 an amount of 35 million Euro have been withdrawn for working capital purposes. The Company has issued letters of guarantee or provided cash collaterals to the electricity market operators, the Customs Office and gas and LNG suppliers totalling € 55,18 million.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2021				
Borrowings (Note 14)	212.472	-	-	-
Trade and other payables (Note 13)	285.775	-	-	-
At 31 December 2020				
Borrowings (Note 14)	204.413	-	-	-
Trade and other payables (Note 13)	133.805	-	-	-

The Company was in compliance with its loan covenants as of 31 December 2021.

3.3 Credit Risk

(i) Monitoring of Credit Risk

The Company is exposed to potential losses in the event that a commercial or financial counterparty fails to meet its obligations. Company's sales consist of wholesale sales and retail sales. Regarding wholesale sales, for electricity the majority of them consists of sales to the national grid and market operators (HEnEx /ADMIE); the underlying risk is considered to be essentially low.

Although transient disturbances may arise out of the distressed financial conditions of other operators reflecting in their delayed payments mostly to ADMIE which in turn are reflected in delays in payments by ADMIE to the other market participants. After the Target Model application, the imbalances market is cleared by ENEX and accordingly no delayed payments are permitted.

Electricity and natural gas wholesale sales to traders are normally secured through trading platforms such as HEnEx, EEX or are covered by adequate securities posted by the counterpart.

In 2021, the retail portfolio included High, Medium and Low Voltage customers in electricity supply and Medium and Low pressure customers in gas supply. During the year the Company expanded its portfolio for electricity and gas supply in Business and Residential customers. The following paragraphs describe how the Company manages the associated credit risk.

(ii) Securities held for managing Credit Risk

The credit risk of each client is pre-emptively evaluated in cooperation with credit management services companies along with a Credit Insurance company. For the majority of the customers that are supplied with electricity or gas by the Company a credit risk appraisal has been performed before acquisition.

In more detail, as far as Low Voltage (Business and Residential) customers are concerned, cash deposit is compulsory, unless direct debit (through a credit card or bank account) is used for the payment of the electricity bill. In addition, before the acquisition of Low Voltage Residential customers, check for debts takes place (through the Teiresias database) and the guarantee is adjusted accordingly. In cases of unsettled debts to previous suppliers, the customer acquisition is rejected.

A special case is represented by the customers under the so-called "Universal Supply", i.e. suppliers which have been terminated by their previous supplier due to non-payment. The

customers falling into this category have been allocated to the largest suppliers (i.e. those having a market share greater than 4%) pursuant to Ministerial Decision 57469/2612/2020. The Company has approximately 4.200 customers belonging to this category. The Company manages the enhanced credit risk connected with these customers seeking proactively to improve their payment behavior or to have them disconnected by the DSO. Adequate bad-debt provisions are calculated for this category of customers.

Regarding Large Accounts, the credit risk is assessed before acquisition through the implementation of the Credit Insurance process, where the guarantee requested is corresponding to the credit risk of each client, based on the credit limit that the Insurance company offers. Upon acquisition, the balances of all Large accounts are being closely monitored on a daily basis through the implementation of the Large Accounts Dunning Process, aiming to ensure that the risk of the portfolio remains within manageable levels. In case of repeated poor payment performance by the client, a guarantee readjustment is taking place upon renewal and, when deemed necessary, adequate additional securities are requested.

(iii) Assessment of Impairment

The doubtful debt provision is based on Elpedison's credit policy which is in compliance with IFRS 9. The allowance for doubtful debts for LV Accounts is assessed by performing a stratification of accounts receivable. This involves splitting the receivables into groups, which share similar credit risk characteristics. The credit risk groups are being assessed on the basis of historical loss experience for each group. The historical loss experience is assessed on an annual basis taking into account, the most recently available data. For credit risks related to specific MV customers, provisions are made on an individual balance basis for possible impairment. The COVID-19 pandemic had a limited effect on the credit loss in 2020 and 2021. The significant increase in the prices of natural gas and electricity during 2021, was also taken into consideration for the assessment of ECLs.

A provision for impairment of trade receivables of related parties (ADMIE and HEnEx) is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in statement of comprehensive income (note 9).

3.4 Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for the shareholders and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with other peers, the Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the Statement of Financial Position) less "Cash & Cash equivalents". Total capital employed is calculated as "Equity" as shown in the Statement of Financial Position plus net debt.

Within 2021 the Company repaid a total amount of € 6.000 of its bond loans (2020: € 16.000).

The gearing ratios as at 31 December 2021 were as follows:

	As at	
	31 December 2021	31 December 2020
Total Borrowings (Note 14)	212.472	204.413
Less: Cash & Cash Equivalents (Note 10)	(10.783)	(11.321)
Net debt	201.689	193.092
Total Equity	127.678	74.699
Total Capital Employed	329.367	267.791
Gearing ratio	61%	72%

3.5 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).
- As of 31 December 2021 the Company had no liabilities measured at fair value.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of forward foreign exchange contracts is determined using foreign exchange rates at the balance sheet date, with the resulting value discounted back to present value.

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Borrowings

4 Critical accounting estimates and judgements

The preparation of the financial statements and the related notes requires the use of estimates and assumptions both in the measurement of certain assets and liabilities and in the valuation of contingent assets and liabilities. The actual results that arise upon the occurrence of the relevant events could thus differ from these estimates.

The estimates and assumptions used are revised on an ongoing basis, and the impact of any

such revision is immediately recognized in statement of comprehensive income. The use of estimates is particularly significant for the following items:

- Measurement of sales revenues for which no final clearance statement has been received by ADMIE and HEnEx, is estimated using historical and predictive data for electricity consumption for each meter.
- The provisions for risks and charges, arising mainly from legal disputes are estimated based on legal counsel's view of potential outcome.
- The process that management follows to estimate the allowance for doubtful accounts and other provisions for write downs is described in note 3 above.
- Determination of the provision for income taxes that the Company is subjected to, requires significant judgment. There are some transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audits based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.
- The Company tests whether property, plant and equipment have suffered any impairment on an annual basis. If any such indication exists, the recoverable amount of the property, plant and equipment is estimated in order to determine the extent of the impairment loss.
- Amortization of intangible assets with a finite useful life. The process of determining depreciation and amortization expense entails reviewing periodically the remaining useful lives of assets. Intangible assets which are the result of payments to obtain the right to use third party assets such as the shallow connection are amortised over the life of the asset or the period of the license obtained, whichever is shorter.

The use of judgments is particularly significant for the following items:

- There are pending disputed cases relating to the Company. The Management assesses the outcome of these cases in order to recognise asset or liability. Where a negative outcome is possible, the Company forms the required provisions. Provisions, where required, are calculated on the basis of the current value of the estimates made by the management of the cost to be incurred for settling the expected liabilities as of the reporting period date.

5 Property, plant and equipment

	Land	Buildings	Plant & Machinery	Motor vehicles	Furniture and fixtures	Assets Under Construction	Total
Cost							
As at 1 January 2020	2.865	26.092	546.438	710	3.302	597	580.004
Additions for the year	-	46	5.583	-	281	313	6.223
Right of use assets for the year	-	79	-	114	-	-	193
As at 31 December 2020	2.865	26.217	552.021	824	3.583	910	586.420
Accumulated Depreciation							
As at 1 January 2020	87	15.432	320.022	364	2.814	-	338.719
Charge for the year	87	1.740	25.581	159	175	-	27.742
As at 31 December 2020	174	17.172	345.603	523	2.989	-	366.461
Net Book Value at 31 December 2020	2.691	9.045	206.418	301	594	910	219.959
Cost							
As at 1 January 2021	2.865	26.217	552.021	824	3.583	910	586.420
Additions for the year	-	8	3.080	-	61	2.560	5.709
Disposals	-	-	(23)	-	-	-	(23)
Right of use assets for the year	-	477	-	72	-	-	549
As at 31 December 2021	2.865	26.702	555.078	896	3.644	3.470	592.655
Accumulated Depreciation							
As at 1 January 2021	174	17.172	345.603	523	2.989	-	366.461
Charge for the year	87	1.699	19.368	152	193	-	21.499
Disposals	-	-	(18)	-	-	-	(18)
As at 31 December 2021	261	18.871	364.953	675	3.182	-	387.942
Net Book Value at 31 December 2021	2.604	7.831	190.125	221	462	3.470	204.713

Leases – Right-of-use assets

The right-of-use assets included in Property, plant and equipment have resulted from the application of IFRS 16 as from 1 January 2019 and are disclosed separately in the following table:

	Land	Buildings	Motor vehicles	Total
Cost				
As at 1 January 2021	1.273	1.479	616	3.368
Additions	-	477	72	549
As at 31 December 2021	1.273	1.956	688	3.917
Accumulated Depreciation				
As at 1 January 2021	174	843	316	1.333
Charge for the year	84	426	155	665
As at 31 December 2021	258	1.269	471	1.998
Net Book Value at 31 December 2021	1.015	687	217	1.919

6 Intangible assets

Intangible assets are analysed as follows:

	Software	Right of use of Shallow Connection	Total
Cost			
As at 1 January 2020	2.842	3.517	6.359
Additions	1.124	81	1.205
As at 31 December 2020	3.966	3.598	7.564
Accumulated Amortisation			
As at 1 January 2020	1.805	1.601	3.406
Charge for the year	466	178	644
As at 31 December 2020	2.271	1.779	4.050
Net Book Value at 31 December 2020	1.695	1.819	3.514
Cost			
As at 1 January 2021	3.966	3.598	7.564
Additions	1.172		1.172
As at 31 December 2021	5.138	3.598	8.736
Accumulated Amortisation			
As at 1 January 2021	2.271	1.779	4.050
Charge for the year	630	184	814
As at 31 December 2021	2.901	1.963	4.864
Net Book Value at 31 December 2021	2.237	1.635	3.872

A description of the shallow connection can be found in Note 2.5.

7 Deferred Taxation

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are presented in the following table:

	As at	
	31 December 2021	31 December 2020
Deferred tax asset	12.302	16.196
Deferred tax liability	(29.567)	(26.100)
Total deferred tax liability	(17.265)	(9.904)

The gross movement in the deferred income tax asset/ (liability) is as follows:

	Year ended	
	31 December 2021	31 December 2020
Beginning of the year	(9.904)	(17.050)
Income statement charge	(7.360)	7.142
Released/(charged) to equity	(1)	4
End of year	(17.265)	(9.904)

Reconciliation of effective tax rate

	2021	
Profit before tax from continuing operations		61.753
Tax using the company's domestic tax rate	22%	13.586
Tax effect of:		
Non-deductible expenses	4,77%	2.947
Recognition of prior years tax losses	-10,76%	(6.642)
Effect from income tax rate change	-1,20%	(743)
	15%	9.148

Changes in deferred tax assets and liabilities during the year, without taking into account offsetting of balances with the same tax authority, are the following:

	Intangible and tangible fixed assets	Inventory	Pension Obligation	Provisions	Other	Total
Deferred Tax Assets						
At 1 January 2020	37	2.794	87	7.529	4.061	14.508
(Charged)/credited						
- to profit or loss	(6)	-	-	1.144	546	1.684
- to other comprehensive income	-	-	4	-	-	4
Total comprehensive income/(loss)	(6)	-	4	1.144	546	1.688
At 31 December 2020	31	2.794	91	8.673	4.607	16.196
Balance at 1 January 2021	31	2.794	91	8.673	4.607	16.196
(Charged)/credited						
- to profit or loss	(5)	(233)	-	553	(4.208)	(3.893)
- to other comprehensive income	-	-	(1)	-	-	(1)
Total comprehensive income/(loss)	(5)	(233)	(1)	553	(4.208)	(3.894)
Balance at 31 December 2021	26	2.561	90	9.226	399	12.302

“Provisions” includes deferred tax assets deriving from the allowance for bad debts as well as provisions for expenses. “Other” includes deferred tax assets deriving from interest (thin capitalization).

Deferred Tax Liabilities	Intangible and tangible fixed assets	Other	Total
At 1 January 2020	31.212	346	31.558
Charged/(credited) - to profit or loss	(1.437)	(4.021)	(5.458)
Total comprehensive income/(loss)	(1.437)	(4.021)	(5.458)
At 31 December 2020	29.775	(3.675)	26.100
Balance at 1 January 2021	29.775	(3.675)	26.100
(Charged)/credited - to profit or loss	(2.390)	5.857	3.467
Total comprehensive income/(loss)	(2.390)	5.857	3.467
Balance at 31 December 2021	27.385	2.182	29.567

Other temporary differences include temporary differences (note 13) and accrued expenses such as secondment fees. Based on the current Tax Law, the corporate income tax rate of legal entities in Greece for fiscal year 2021 and onwards is 22% (2020:24%).

8 Inventories

Inventories relate to supplies and equipment used to maintain and operate the Company's facilities as follows:

	As at	
	31 December 2021	31 December 2020
Merchandise	473	186
Spare Parts	8.371	7.417
Consumable materials	6.423	6.551
LNG	3.500	14.553
Total	18.767	28.707

Inventories recognised as an expense due to consumption during the year ended 31 December 2021 amount to € 1.588 (2020: € 1.788), the amount has been included in Cost of Sales.

9 Trade and other receivables

	As at 31 December 2021	31 December 2020
Trade receivables	282.398	108.171
Trade receivables -Related parties	28.719	51.250
Total	311.117	159.421
Less: Provision for impairment of trade receivables	(40.262)	(35.585)
Trade receivables net	270.855	123.836
Restricted cash	9.215	3.933
Prepayments	11.625	7.561
Guarantee deposits with suppliers	13.088	6.252
Other receivables- current	117.944	34.449
Other receivables net	151.873	52.195
Less non current portion	(13.088)	(6.252)
Total	409.640	169.779

The carrying amounts of the receivables approximate their fair value.

The increase in Prepayments mainly relates to amortisation of commissions for new contracts that are recognised during the duration of the respective contracts according to IFRS 15.

The amount in "Restricted cash" refers to a reserved amount in a bank account of the Company, which is used in the context of the Company's transactions in the electricity market (Spot market), based on the new market model (Target Model), which was introduced in November 2020.

ADMIE, HEnEx and DAPEEP balances are included in receivables from related parties, and are normally due within 30 days. Accordingly balances over 30 days old, are considered to be past due and are assessed for impairment.

Movements on the provision for impairment of the trade receivables are as follows:

	Year ended 31 December 2021	31 December 2020
At 1 January	35.585	32.404
Provision for impairment of trade receivables for the year (Note 18)	4.677	3.181
At 31 December	40.262	35.585

The Company applies the IFRS 9 simplified approach to measure expected credit losses ("ECL") using a lifetime expected loss allowance for all trade receivables.

ECL model is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

To measure the expected credit loss in relation to trade receivables, the Company has established a provision matrix relying on aging analysis, which is based on the Company's historical credit loss

experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

10 Cash and cash equivalents

	As at	
	31 December 2021	31 December 2020
Cash at Bank and in Hand	10.783	9.321
Short-term Bank deposits	-	2.000
Total cash and cash equivalents	10.783	11.321

Short term bank deposits represent time deposits for period no more than three months.

The above analysis does not include as at 31 December 2021 the amount of € 9.215, (2020: € 3.933) which regards restricted cash in a bank account of the Company, which is used in the context of the Company's transactions in the electricity market (Spot market), based on the new market model (Target Model), which was introduced in November 2020. This amount is included in the "Trade and other receivables".

11 Share capital and Share Premium

	Number of Shares (authorised and issued)	Share Capital	Share Premium	Total
As at 1 January 2020	9.963.360	99.634	44.996	144.630
As at 31 December 2020	9.963.360	99.634	44.996	144.630
As at 1 January 2021	9.963.360	99.634	44.996	144.630
As at 31 December 2021	9.963.360	99.634	44.996	144.630

All ordinary shares were authorised, issued and fully paid. As at 31/12/2021 the authorised share capital after the merger with Elpedison Energy S.A on 2015 is € 99,6 mil divided to 9.963.360 shares. The nominal value of each ordinary share is €10.00.

As at 31/12/2021 the share premium amount is € 45,0 mil (representing share premium of € 45,5mil minus expenses on capital increase € 0,5mil).

12 Reserves

Statutory reserves

The Company forms statutory reserves under Greek law, according to which corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a statutory reserve until such reserve equals one third of the outstanding share capital. This reserve cannot be distributed during the existence of the corporation, but can be used to offset accumulated losses. For the financial year 2021 the Company did not form any amount of statutory reserves due to losses of the previous years. The statutory reserves amount to € 1.330.

13 Trade and other payables

Trade and other payables include amounts with respect to:

	As at	
	31 December 2021	31 December 2020
Trade payables	54.290	13.600
Trade payables		
- Related Parties	82.916	28.020
Accrued Expenses & Deferred Income	122.429	70.571
Social security and other taxes	22.014	17.789
Guarantee deposits from customers	16.102	14.603
Non-current lease liabilities	1.347	1.553
Current lease liabilities	458	482
Other payables	3.668	3.343
	<u>303.224</u>	<u>149.961</u>
Less non current portion:	(17.449)	(16.156)
Total	285.775	133.805

Non-current portion of Trade and other payables includes retail customers' guarantee deposits paid in cash. Trade payables are unsecured and are usually paid within 30 to 60 days of recognition. The carrying amounts of trade and other current payables are assumed to be the same as their fair values, due to their short-term nature.

Lease liabilities

Lease liabilities are analysed as follows:

	Land	Buildings	Motor	Total
Opening	1.099	636	300	2.035
Additions	-	477	72	549
Repayment of leases	74	488	217	779
Total Lease Liability				1.805
Of which are:				
Non- current lease liabilities				1.347
Current lease liabilities				458
Total Lease Liability				1.805

Accrued expenses refer to gas cost, long-term maintenance cost accruals, accrued interest for the bond loans and other accrued operating expenses.

Fair value of non-current liabilities is equal to book value.

14 Borrowings

The table below shows the balance outstanding of the loan facilities of the Company at December 31, 2021:

	As at	
	31 December 2021	31 December 2020
Long term Borrowings		
Long term Bond Loans	-	-
Deferred borrowing costs	-	-
Total Long term Borrowings	-	-
Current portion of Long term Bond Loans	177.866	183.866
Short term facilities	35.000	21.000
Deferred borrowing costs	(394)	(453)
Total Short term Borrowings	212.472	204.413
Total Borrowings	212.472	204.413

On 30 September 2021, the Company agreed with its Bondholders to extend its total debt amounting to €177.866 for 12 months with the option of the Company to request a further extension of 6 months, until 31 March 2023 and, the reduction of the Basic Margin to 2.55% from the 3.30%. More specifically, on 30 September 2021 the Company proceeded to the extension of three Bond Loans & the signing of an Intercreditor Agreement as follows:

- Bond Loan 1 for the maximum amount of €81.064 from Banca IMI S.p.A., HSBC Continental Europe and UniCredit S.p.A. as Mandated Lead Arrangers, Intesa Sanpaolo S.p.A., HSBC Continental Europe and UniCredit S.p.A as Bondholders and BNP Paribas Securities Services as Bondholders' Agent and Paying Agent. The Bond Loan bears a margin of 2.55% over 3-months Euribor, is denominated in euro and is guaranteed by Edison SpA. On 31 December 2021, the outstanding balance of Bond Loan 1 amounted to €67.393.
- Bond Loan 2 for the maximum amount of €81.064 from EUROBANK S.A as Bondholders' Agent, Paying Agent, Mandated Lead Arranger and Bondholder and PIRAEUS BANK S.A., EUROBANK S.A and ALPHA Bank S.A., as Mandated Lead Arrangers and Bondholders. The Bond Loan bears a margin of 2.55% over 3-months Euribor, is denominated in euro and, is guaranteed by Hellenic Petroleum S.A.. On 31 December 2021, the outstanding balance of Bond Loan 2 amounted to €67.393.
- Bond Loan 3 for the maximum amount of €51.818 from EUROBANK S.A as Bondholders' Agent, Paying Agent, Mandated Lead Arranger and Bondholder and PIRAEUS BANK Bank S.A. and ALPHA BANK CYPRUS Ltd, as Mandated Lead Arrangers and Bondholders. The Bond Loan bears a margin of 2.55% over 3-months Euribor, is denominated in euro and, is guaranteed by Hellenic Petroleum S.A. and Edison SpA. On 31 December 2021, the outstanding balance of Bond Loan 3 amounted to €43.079.

- Intercreditor Agreement between EUROBANK S.A, as Intercreditor Agent and all other involved parties.

All Bond Loans provide for a mandatory repayment (cash sweep) that shall be equal to 50% of the Excess Cash Flow, with the exemption of the last quarter of 2021 for which the relevant calculation period will be the three months of that quarter. The Excess Cash Flow is defined as the aggregate of the Net Cash Flow minus the Debt Service Obligations.

Within 2021 the Company repaid a total amount of €6.000 of its bond loans (2020: €16.000).

The Bond Loans weighted average borrowing cost for 2021 was 3,11% (effective rate 3,15%). The Bond Loans weighted average borrowing cost for 2020 was 3,30% (effective rate 3,34%).

Unamortized deferred borrowing costs relate to the bank fees for the arrangement of the loans which are amortised using the effective interest rate method.

Within 2021 a new Credit Facility and Guarantee Facility Agreement have been signed with Alpha Bank for a total amount of € 17 million without the shareholder's guaranties. As at December 31st an amount of 35 million Euro have been withdrawn. The Company's total credit facilities amounted to € 109.8 million.

Movement of deferred borrowing costs:

	Year ended	
	31 December 2021	31 December 2020
At beginning of year	453	976
Additions	525	80
Amortization of deferred borrowing cost	(584)	(604)
At end of year	394	453
Current portion	394	453
Non-current portion	-	-
Total	394	453

15 Employee benefit obligations

	Year ended	
	31 December 2021	31 December 2020 Restated
At 1 January	184	125
Benefits paid within the current year	(9)	(20)
Provision for compensation upon dismissal or retirement	53	60
Interest expense	1	1
Actuarial (gains)/losses	(4)	18
Total	224	184

	31 December 2021	31 December 2020 Restated
Net defined benefit liability at the beginning of the year	184	125
Benefits paid within the current year	(9)	(20)
Current service cost	53	60
Interest expense/(income)	1	1
Actuarial (gains)/losses	(4)	18
Net defined benefit liability at the end of the year	224	184

	Year ended 31 December 2021	31 December 2020 Restated
Opening defined benefit obligation	184	125
Benefits paid within the current year	(9)	(20)
Current service cost	53	60
Interest cost	1	1
Actuarial (gains)/losses	(4)	18
Obligation registered in the Statement of Financial Position	224	184

The amounts recognised in the Statement of Comprehensive Income are as follows:

	Year ended 31 December 2021	31 December 2020 Restated
Current service cost	53	60
Interest cost	1	1
Total	54	61

The principal actuarial assumptions were as follows:

	Year ended 31 December 2021	31 December 2020 Restated
Actuarial assumptions		
Discount rate	0,45%	0,34%
Salary growth rate	0%-2%	0%-2%
Inflation	1,70%	1,60%
Plan Duration	22,7	22,7

16 Sales revenue

Sales revenue is analysed as follows:

	Year ended	
	31 December 2021	31 December 2020
Sales from Day Ahead Market	547.439	185.460
Temporary Flexibility Remuneration		
Mechanism(TFRM)	-	7.016
Natural Gas supply	293.272	126.741
Dual fuel reimbursement	1.412	1.973
Electricity Supply	637.183	361.440
Cross-border trading	11.798	2.250
Total	1.491.104	684.880

Sales from “Day Ahead Market” relate to the daily market in which power generators bid and offer electricity for every hour of the next day for all nodal locations.

“Cross border activities” category relates to cross-border purchases and sales of electricity.

The commissions’ fees paid for the new connections are recognised over the related contract duration in accordance with IFRS 15.

17 Other Income

	Year ended	
	31 December 2021	31 December 2020
Other revenues	1.679	1.498
Other non-operating income	3.053	1.367
Total	4.732	2.865

Other non-operating income refers to reversals of previous years’ unutilized provisions. Other revenues refer to revenues from other energy related products such as Net Metering, DriveGreen, Energy Efficiency.

18 Expenses by category

	1/1 - 31/12/2021		
	Cost of sales	Administrative expenses	Distribution expenses
Payroll and related expenses	3.520	10.251	-
Lawyers fees	181	622	-
Commissions	7.930	-	-
Contractors' fees	6.384	1.061	596
Advisory fees	-	2.425	-
Other fees	-	780	3.213
Repairs & maintenance costs	8.744	-	-
Depreciation & amortization	20.878	1.436	-
Miscellaneous costs	897	3.248	6.570
Impairment of trade receivables	-	4.677	-
Natural gas cost	562.736	-	-
Emission Rights	66.450	-	-
Chemicals	162	-	-
Purchase of Electricity	702.269	-	-
Cross-border trading	9.464	-	-
Total	1.389.615	24.500	10.379

	1/1-31/12/2020		
	Cost of sales	Administrative expenses	Distribution expenses
Payroll and related expenses	3.358	7.235	-
Lawyers fees	140	592	140
Commissions	8.749	-	-
Contractors' fees	6.004	999	458
Advisory fees	-	1.358	-
Other fees	-	648	2.868
Repairs & maintenance costs	12.800	-	-
Depreciation & amortization	27.049	1.337	-
Miscellaneous costs	690	196	4.373
Impairment of trade receivables	-	3.181	-
Natural gas cost	211.006	-	-
Emission Rights	31.688	-	-
Chemicals	556	-	-
Purchase of Electricity	334.521	-	-
Cross-border trading	11.977	-	-
Total	648.538	15.547	7.839

Miscellaneous costs mainly consist of utilities and other general expenses.

The costs recognised for benefits to employees are as follows:

	Year ended	
	31 December 2021	31 December 2020
Wages and salaries	10.472	7.650
Social security costs	2.273	1.963
Employees allowances and expenses	973	884
Provision for employees retirement benefits	53	96
Total	13.771	10.593

The Company as at 31 December 2021, had 226 employees and 4 seconded employees, (FY 2020: 205 employees and 4 seconded employees).

19 Other gains/ (losses), net

	Year ended	
	31 December 2021	31 December 2020
Foreign exchange forward contracts:		
-Realised loss	-	(178)
-Realised gains	27	179
Total	27	1

20 Net Finance costs

	Year ended	
	31 December 2021	31 December 2020
Interest income	-	1
Interest and other financial income on trade receivables	494	471
Total finance income	494	472
Interest expense and similar charges	(9.453)	(7.991)
Interest and finance charges for lease liabilities	(70)	(81)
Amortisation of deferred borrowing cost	(587)	(604)
Total finance cost	(10.110)	(8.676)

The interest cost paid in 2021 was of euro 7.479

21 Income tax expense

	Year ended	
	31 December 2021	31 December 2020
Deferred tax (expense)/benefit (Note 7)	(7.360)	7.142
Income tax	(1.788)	-
Total	(9.148)	7.142

The income tax rate was 22% for the year ended 31 December 2021 (2020:24%).

22 Commitments and Contingencies

22.1 Unresolved legal claims

The Company is engaged in a number of legal cases as at 31 December 2021. A summary of these legal cases and managements assessments of their outcome is provided below:

a) Default interests litigation

The Company has charged interest on the overdue balances of LAGIE and ADMIE during the years 2012-2014, amounting to € 19,1 million.

Within this framework, the Company has filed two lawsuits against LAGIE and ADMIE before the Piraeus Multi-Member Court of First Instance and the Athens Multi-member Court of First Instance respectively. The hearing of ADMIE lawsuit has taken place on 19.11.2015 and the Court issued No 703/2016 Judgment rejecting the lawsuit partly in substance and partly as non-admissible. The Company has filed an Appeal against Judgment 703/2016, the hearing of which took place on 01.06.2017 and the Court of Appeal of Athens based on 952/2018 Judgment rejected the Company's Appeal. Our Company has filled on 26.06.2018 Cassation, the hearing of which took place on 07.10.2019. The issuance of the decision is still pending.

The Company has filed before the Athens Multi-Member Court of First Instance second lawsuit against ADMIE, with subject matter similar to the abovementioned, the hearing of which took place on 09.03.2017. The Court issued No 4270/2017 preliminary Decision, based on which it postponed its Judgment until the issue of the pending decision of the Court of Appeal described above.

On the same subject matter, the Company has filed on 25.04.2017 before the Athens Multi-Member Court of First Instance a lawsuit against LAGIE, the hearing of which took place on 25.10.2017.

The Court pursuant to Judgment 1557/2019 rejected the lawsuit on the grounds that the above-mentioned requests have been non-precise. Based on the said decision LAGIE is neither a contracting party with the Company, nor has any liability as guarantor (del credere) to pay the Company, because pursuant the regulatory framework LAGIE his legal status is that of a mandatory and is not liable to cover any credit risk towards the energy market participants. Furthermore, LAGIE has no liability in tort. The Company has filed an appeal against Judgment 1557/2019 to the Court of Appeal of Athens on 09.06.2021.

ADMIE has filed before the Athens Multi-Member Court of First Instance the lawsuit dated 14.07.2021 against the Company claiming the payment of €1.906.613,50 as default interest and €1.659.050,03 as delayed capital. The case is under mediation procedure.

b) RAE decision for regulated charges

On 7 March 2019 with the decision 292/2019 RAE imposed a fine to the Company amounting to €250.000 related to the mechanism of payment of regulated charges. Against the said decision, the Company filed on 24.01.2020 a judiciary recourse before the Athens Administrative Court of Appeals.

The Court pursuant Judgment 4352/2020 accepted partially Company's recourse and amended the RAE's decision 292/2019 by reducing the imposed fine and reduced it to the amount of €60.000.

22.2 Taxation -Unaudited tax years

From 2011 onwards, under certain provisions, all Greek companies are subject to an annual tax compliance audit by their statutory auditors. Accordingly, the Company was subject of a tax compliance audit by its statutory auditor for the financial years 2011-2020 for which it obtained unqualified tax audit certificates. According to recent legislation, the tax audit and the issuance of tax certificates is also valid from 2016 onwards but on an optional basis. The Company is currently under a tax compliance audit by its statutory auditor for the financial year 2021. Management does not expect any material findings from this audit.

22.3 Letters of Guarantee

The Company has issued letters of guarantee or provided cash collaterals to the electricity market operators, the Customs Office and gas and LNG suppliers totalling € 55,18 million.

22.4 Lease commitments – Company as a lessee

The Company leases its headquarters' offices and the land on which the Thessaloniki Plant is located. The leases are accounted for under IFRS 16.

22.5 Contractual commitments

The Company has long-term agreements for the maintenance of the gas turbines of both plants Thessaloniki and Thisvi. The annual minimum commitments under these agreements amount to € 1,4 million approx.

23 Dividends

The Board of Directors will not propose any dividends or reserves' distribution for the 2021 financial year at the next Annual General Meeting of the Shareholders in 2022.

24 Related-party transactions

24.1 Parent and ultimate controlling party

The Company is controlled by Elpedison B.V. (incorporated in the Netherlands), which owns 100% of the Company's shares and is the parent Company. The ultimate controlling parties of the Company are Edison SpA and Hellenic Petroleum S.A.

24.2 Related party entities

The Company has transactions and balances outstanding with the following entities that are related parties:

- Edison SpA
- Hellenic Petroleum S.A
- DIAXON AVEE
- Hellenic Energy Exchange S.A. (HEnEx S.A.)
- Hellenic Energy Clearing House S.A. (EnExClear S.A.)
- RES and GOs Operator S.A. (DAPEEP S.A.)
- Independent Power Transmission Operator (ADMIE S.A)
- Hellenic Electricity Distribution Network Operator S.A (DEDDIE S.A)
- Depa Commercial S.A. (DEPA)
- Hellenic Fuels S.A
- KALIPSO KEA S.A
- Edison HELLAS S.A
- EDF ENERGIES NOUVELLES
- EDF EN Services
- EDF Trading
- Hellenic Petroleum Renewable Energy Sources SA
- Energy Pylou-Methonis SA
- Aeoliki Energy Peloponnese SA
- AETOS WIND PARK S.A
- EDA ATTIKIS SA
- DEDA SA
- ATTIKI GAS SUPPLY COMPANY SA

Edison S.P.A is one of the ultimate controlling parties of the Company is guarantor of Bond Loan 1&3 and provides the Company with experienced personnel which provided technical support and technical services through service agreements. Edison S.P.A has also provided the Company with experienced personnel for key Company operational services during 2021.

Hellenic Petroleum S.A is one of the ultimate controlling parties of the Company and is guarantor of Bond Loan 2&3 and lends the land where the power plant in Thessaloniki is located, has also provided the Company with experienced personnel for key Company operational services during 2021.

Hellenic Energy Exchange S.A. (HEnEx S.A.), Enex Clearing House S.A. (EnExClear), RES and GOs Operator S.A. (DAPEEP S.A.) and Independent Power Transmission Operator (ADMIE S.A) are related parties to the Company, as are partly controlled by the Greek State which is also a major shareholder in Hellenic Petroleum S.A. (one of the ultimate controlling parties of the Company).

Hellenic Electricity Distribution Network Operator S.A (DEDDIE) is a related party to the Company, since the Public Power Company S.A (PPC) is partly controlled by the Greek State which is also a major shareholder in Hellenic Petroleum S.A. (one of the ultimate controlling parties of the Company).

DEPA Commercial S.A. and DEPA Infrastructure are related parties to Hellenic Petroleum S.A since Hellenic Petroleum S.A. owns 35% of their share capital. The supply contract between the companies is at standard trading terms.

HELLENIC FUELS AND LUBRICANTS SA is related party of the Company, as HELLENIC FUELS SA is a subsidiary of Hellenic Petroleum SA.

DIAXON AVEE is related party of the Company, as DIAXON AVEE is a subsidiary of Hellenic Petroleum SA.

KALYPSO KEA SA is a member of the Hellenic Petroleum SA Group.

Edison HELLAS S.A is related party of the Company, as the ultimate controlling party of Edison Spa.

EDF EN Services is related party of the Company, EDF SA is the ultimate controlling party of Edison Spa.

EDF ENERGIES NOUVELLES is related party of the Company, EDF SA is the ultimate controlling party of Edison Spa.

EDF Trading is related party of the Company, EDF SA is the ultimate controlling party of Edison Spa.

HELLENIC RENEWABLE ENERGY SOURCES SA is related party of the Company, as it is a subsidiary of Hellenic Petroleum SA.

ENERGY PYLOU-METHONIS SA is related party of the Company, as it is a subsidiary of Hellenic Renewable Energy Sources SA.

AEOLIKI ENERGY PELOPONNESE SA and AETOS WIND PARK S.A are related party of the Company, as it is a subsidiary of EDF EN Hellas SA.

EDA ATTIKIS S.A. is a related party to DEPA since DEPA Infrastructure owns 100% of the share capital of EDA ATTIKIS S.A

DEDA S.A. is a related party to DEPA since DEPA Infrastructure owns the 100% of the share capital of DEDA S.A.

ATTIKI GAS SUPPLY COMPANY SA is a related party to DEPA since Depa Commercial S.A. owns the 100% of the share capital of the company

Transactions with related parties were carried out at arm's length.

The value of transactions and balances with the aforementioned related parties appears in the following tables.

24.3 Sales of electricity and other services to related parties

	Year ended	
	31 December 2021	31 December 2020
ADMIE SA	(534)	26.795
DAPEEP SA	2.629	1.141
ENEX	-	152.012
DEPA COMMERCIAL S.A	37.617	22.985
Attiki Gas Supply Company SA	-	1.291
KALIPSO KEA SINGLE MEMBER SA	2.435	1.863
Hellenic Fuels and Lubricants SA	606	460
ELPE SA	112.337	53.306
ELPE RES SA	4	3
EDISON HELLAS SA	2	2
EDF EN SERVICES	13	11
ENERGY PYLOU-METHONIS SA	8	6
AEOLIKI ENERGY PELOPONNESE SA	6	6
DIAXON AVEE	3.543	2.769
EDF ENERGIES NOUVELLES	12	12
WIND ENERGY PARK AETOS SA	2	2
DEDDIE SA	33.112	44.861
ENEXCLEAR SA	630.931	26.249
	<u>822.722</u>	<u>333.774</u>

24.4 Purchases of materials and services from related parties

	Year ended	
	31 December 2021	31 December 2020
Edison S.P.A	458	493
Hellenic Petroleum SA	62.638	698
ELPE RES SA	-	1
ADMIE S.A	13.585	26.277
DAPEEP S.A	35.718	30.138
ENEX SA	383	109.884
ENEXCLEAR SA	400.866	32.006
DEPA COMMERCIAL S.A	153.089	64.312
DEDA SA	106	76
KALIPSO KEA SINGLE MEMBER SA	70	57
Hellenic Fuels and Lubricants SA	500	351
EDA ATTIKIS	1.712	1.045
ENERGY PYLOU-METHONIS SA	4	3
AEOLIKI ENERGY PELOPONNESE SA	-	4
DEDDIE SA	155.796	136.955
	<u>824.925</u>	<u>402.300</u>

24.5 Year-end balances arising from sales/purchases of services

	Year ended	
	31 December 2021	31 December 2020
Receivables from related parties		
ADMIE S.A	14.379	21.622
DAPEEP S.A	7.915	7.219
ENEX	131	131
Edison S.P.A	35	-
DEPA COMMERCIAL S.A	1.758	653
DEDDIE S.A	644	2.568
KALIPSO KEA SA	39	242
ELPE S.A	-	17.308
DIAXON AVEE	534	252
Hellenic Fuels and Lubricants SA	125	32
ENEXCLEAR	3.159	1.103
Attiki Gas Supply Company SA	-	120
	<u>28.719</u>	<u>51.250</u>

	Year ended	
	31 December 2021	31 December 2020
Payables to related parties		
Edison S.P.A	-	299
Hellenic Petroleum SA	48.033	368
Hellenic Fuels and Lubricants SA	37	58
DEPA COMMERCIAL S.A	-	6.332
DEDDIE SA	24.438	13.365
ADMIE S.A	2.219	2.202
DAPEEP S.A	5.008	4.676
ENEX	126	23
EDA ATTIKIS	198	173
DEDA SA	11	8
ENEXCLEAR	2.846	516
	<u>82.916</u>	<u>28.020</u>

24.6 Key Management compensation

Key management includes the Chairman of the Board, the Chief Executive Officer and the first line directors. The compensation paid to key management for employee services is shown below:

	Year ended	
	31 December 2021	31 December 2020
Salaries and other short-term employee benefits	1.922	1.686
	1.922	1.686

25 Events after the reporting period and other significant events

We assessed the consequences of the Ukraine / Russian conflict as a significant subsequent event which could affect the Company's operations and confirm that we have not identified any significant implications or disruptions to the Company's activities. We acknowledge that:

- There is no significant business interruption arising from supply chain disruption, closure/ abandonment of operations/ manufacturing or commercial facilities, travel restrictions and logistics disruption;
- No seizure/ expropriation of assets by government authorities has been imposed
- No issue of unavailability of personnel noted;
- No restrictions on cash balances have been imposed under any sanction measures;
- No issues noted of impairments of financial and non-financial assets (considering events and new information arising after the reporting date);

More specifically, for the trade receivables, the government's measures of subsidising part of the electricity and natural gas billings has permitted the final consumers to be in a position to pay their bills and therefore, no significant delays or defaults of payments have occurred.

- No significant declines in sales, earnings and/ or operating cash flows noted to-date as the Company does not have any significant operations in the conflict areas
- No other measures affecting the Company's operations have been imposed.

We finally note that, the Company responded promptly in order to minimize the potential financial impact of the energy crisis and the prices increases due to the war in Ukraine, with the following actions:

- The permitted financial indebtedness has been increased by €60 mil. so that the permitted total indebtedness of the Company reached the €170 mil. from the €110mil.

In the context of the above the Company has proceeded to the following agreements for additional credit lines without the shareholder's coverage:

- a €30 mil. credit line exclusively for the issuance of guarantees, by the financial institution EULER HERMES,
- an additional credit line of €20 mil. with ALPHA BANK
- an additional credit line of €10 mil. with EURO BANK

Management is monitoring closely the situation and additional measures are decided when needed.

Separate financial information of the integrated undertaking of electricity generation and supply of electricity and gas

Balance Sheet 31/12/2021					
<i>Amounts in Euro thousands</i>	Generation of electricity	Supply of electricity	Supply of NG	Other	Total
ASSETS					
Non-current assets	212.123	3.025	6.524	-	221.672
Property, plant and equipment	204.241	472	-	-	204.713
Intangible assets	3.128	743	-	-	3.871
Other long term assets	4.754	1.810	6.524	-	13.088
Current assets	137.284	250.359	25.243	26.303	439.190
Inventories	14.794	-	3.500	473	18.767
Trade and other receivables	117.099	247.124	20.125	25.291	409.640
Cash and cash equivalents	5.391	3.235	1.618	539	10.783
Total assets	349.409	253.384	31.767	26.303	660.863
EQUITY					
Share capital	98.198	1.436	-	-	99.634
Reserves	1.330	-	-	-	1.330
Share premium	44.584	412	-	-	44.996
Retained Earnings	(12.508)	(15.033)	9.138	121	(18.282)
Total equity	131.604	(13.185)	9.138	121	127.678
LIABILITIES					
Non- current liabilities	18.811	15.058	1.069	-	34.938
Deferred income tax liabilities	17.265	-	-	-	17.265
Other non-current liabilities	1.346	15.034	1.069	-	17.449
Retirement benefit obligations	200	24	-	-	224
Current liabilities	198.994	251.511	21.560	26.182	498.247
Trade and other payables	11.063	148.126	2.936	1.523	163.648
Provisions	49.459	29.385	18.624	24.659	122.127
Borrowings Short Term	138.472	74.000	-	-	212.472
Total liabilities	217.805	266.569	22.629	26.182	533.185
Total equity and liabilities	349.409	253.384	31.767	26.303	660.863

Income Statement 31/12/2021					
Amounts in Euro thousands	Generation of electricity	Supply of electricity	Supply of NG	Other	Total
Revenues					
Revenues from Generation	611.731	-	-	-	611.731
Revenues from Supply	-	532.570	225.737	1.186	759.493
Revenues from Distribution Network	-	38.941	2.746	-	41.686
Revenues from Transmission System	-	-	482	-	482
Electricity Exports	-	11.798	-	-	11.798
Other revenues	1.412	-	-	65.628	67.040
Total revenues	613.143	583.309	228.964	66.814	1.492.230
EXPENSES					
Natural gas cost	340.590	-	211.167	-	551.757
Cost of energy sold	-	511.753	-	66.279	578.032
Electricity Imports	-	9.464	-	-	9.464
Distribution Network	-	37.733	2.974	-	40.707
Transmission System	-	11.185	6.606	-	17.791
Emission Rights-CO2	66.450	-	-	-	66.450
Inventories consumptions	1.588	-	-	-	1.588
Payroll and related expences	6.665	5.899	987	220	13.771
Third party fees	8.927	6.012	663	505	16.107
Repairs & maintenance costs	6.889	-	-	-	6.889
Other income-expenses	84.667	6.667	(246)	-	91.088
Taxes and fees	161	65	-	-	226
Depreciation & amortization	21.476	796	43	-	22.315
Impairment on trade receivables	-	4.677	-	-	4.677
Finance costs	8.232	1.598	280	-	10.110
Finance income	0	(486)	(8)	-	(494)
Total expenses	545.644	595.363	222.466	67.004	1.430.477
Profit/(Loss) before income tax	67.500	(12.054)	6.498	(190)	61.753

ELPEDISON S.A.
Financial Statements
for the year ended 31 December 2021
(All amounts in Euro thousands unless otherwise stated)

Balance Sheet 31/12/2020					
Amounts in Euro thousands	Generation of electricity	Supply of electricity	Supply of NG	Other	Total
ASSETS					
Non-current assets	226.892	2.833	-	-	229.725
Property, plant and equipment	219.579	380	-	-	219.959
Intangible assets	2.938	576	-	-	3.514
Other long term assets	4.375	1.877	-	-	6.252
Current assets	88.275	72.719	46.241	2.572	209.807
Inventories	13.968	-	14.554	185	28.707
Trade and other receivables	68.519	69.399	29.587	2.274	169.779
Derivative financial instruments	-	-	-	-	-
Cash and cash equivalents	5.788	3.320	2.100	113	11.321
Total assets	315.167	75.552	46.241	2.572	439.532
EQUITY					
Share capital	98.198	1.436	-	-	99.634
Reserves	1.330	-	-	-	1.330
Share premium	44.584	412	-	-	44.996
Retained Earnings	(70.863)	(2.667)	2.328	312	(70.890)
Total equity	73.249	(819)	2.328	312	75.070
Capital allocation to business units	-	-	-	-	-
LIABILITIES					
Non-current liabilities	12.584	13.660	-	-	26.244
Borrowings	-	-	-	-	-
Deferred income tax liabilities	9.904	-	-	-	9.904
Other non-current liabilities	2.512	13.644	-	-	16.156
Retirement benefit obligations	168	16	-	-	184
Current liabilities	229.334	62.711	43.913	2.260	338.218
Trade and other payables	7.651	29.534	25.582	578	63.345
Derivative financial instruments	-	-	-	-	-
Provisions	27.270	23.176	18.331	1.682	70.459
Borrowings Short Term	194.413	10.000	-	-	204.413
Total liabilities	241.918	76.371	43.913	2.260	364.461
Total equity and liabilities	315.167	75.552	46.241	2.572	439.532

ELPEDISON S.A.
Financial Statements
for the year ended 31 December 2021
(All amounts in Euro thousands unless otherwise stated)

Income Statement 31/12/2020					
Amounts in Euro thousands	Generation of electricity	Supply of electricity	Supply of NG	Other	Total
Revenues					
Revenues from Generation	194.466	-	-	-	194.466
Revenues from Supply of Electricity	-	280.989	89.271	956	371.216
Revenues from Distribution Network	-	-	2.266	-	2.266
Revenues from Transmission System	-	-	329	-	329
Electricity Exports	-	2.250	286	-	2.536
Other revenues	34.588	63.851	-	16.600	115.039
Total revenues	229.054	347.090	92.152	17.556	685.852
EXPENSES					
Natural gas cost	119.693	-	79.159	-	198.852
Cost of energy sold	-	207.000	-	17.244	224.244
Electricity Imports	-	7.084	-	-	7.084
Distribution Network	-	33.425	2.242	-	35.667
Transmission System	-	9.826	7.546	-	17.372
Emission Rights-CO2	31.688	-	-	-	31.688
Inventories consumptions	1.788	-	-	-	1.788
Payroll and related expences	5.359	4.870	364	-	10.594
Third party fees	7.935	29.134	477	-	37.546
Repairs & maintenance costs	11.051	-	-	-	11.051
Other income-expenses	(486)	63.170	(432)	-	62.252
Taxes and fees	156	170	-	-	326
Depreciation & amortization	27.675	710	1	-	28.386
Impairment on trade receivables	-	3.181	-	-	3.181
Finance costs	7.738	768	170	-	8.676
Finance income	(1)	(458)	(13)	-	(471)
Total expenses	212.596	358.880	89.514	17.244	678.234
Profit/(Loss) before income tax	16.458	(11.790)	2.638	312	7.618

1. General Principles

The Company ELPEDISON S.A drafts, submits for audit and publishes its annual financial statements in accordance with IFRSs, the relevant provisions of C.L. 4548/2018, as well as Laws 3229/2004 and 3301/2004.

The Company, as an Integrated Company, has considered the provisions of Law 4001/2011 (Official Government Gazette First Issue 179) and Directive 2009/72/EC, no. 31 on the separation of the accounts of integrated electricity undertakings as well as the decision n. 124/2017 and 162/2019 of the Regulatory Authority of Energy.

Based on the above, prepares separate accounts, Balance Sheet and Profit and Loss Statement regarding the activities Generation and Supply in the Electricity Market in accordance with the provisions of Article 141 of Law 4001/2011 and decision no. 43/2014 by the Regulatory Authority for Energy:

The other activities of the Company, apart from electricity (E), are kept in consolidated non-separated accounts (Other or Other activities).

At the end of the financial year, the Company drafts and publishes according to the IFRS, its separate profit and loss statements and balance sheet per activity. Balance Sheet and profit and loss statements (before tax). The totals of the unbundled financial statements are equal and agree with the Balance Sheet and the profit and loss statement of Elpedison SA that have been prepared in accordance with International Financial Reporting Standards as adopted by the EU, with the exception of income tax, as unbundled Financial Statements of Income are presented in before tax.

The abovementioned statements are contained in the notes of the annual financial statements of the Company, which are approved and signed according to the law and contain a certificate by the auditors, where reference is made to the rules which are approved by RAE, as referred to in Article 141 paragraph 4 of Law 4001/2011.

The Company shall notify RAE within 15 working days, after the approval of the annual financial statements by the General Meeting of the Company, the annual financial statements which shall contain the certificate and report of the auditors on the application of the Allocation Principles and Rules in the Assets and Liabilities accounts and in Revenues and Expenses.

2. Allocation Method & Rules

Methods and Accounting Rules

The methods and accounting rules followed by the Company are dictated by the general accounting principles and the articles of the International Accounting Standards (IFRS).

The Accounting Department of the Company is fully computerized with a valid and properly configured accounting program (SAP), which ensure that separate accounts have been prepared and that separate profit and loss statements and balance sheet are prepared for each activity.

In particular, the mandatory registration of all accounting records per business area (in SAP) is currently applied, as designated by the Company in accordance with the above General Principles, as follows:

- (a) Business Areas / Activities
 - Generation of electricity
 - Supply of electricity
 - Supply of gas
 - Cross-border trading
- (b) Business Areas apart from the activities
 - Other.

Allocation Rules of Expenditure and Revenue (Profit or loss)

In each registration of a document or transaction, as well as any other entry, the amounts are characterized by "business area" and then the corresponding accounts of expenditure, income, assets and liabilities are automatically updated. The program has a security key based on which no entry is allowed without the above characterization.

In this way, the documents and transactions which are solely related to one of the activities of the Company or which state a separate amount per activity, shall immediately update the separate accounts of each Activity / Business Areas (a).

Any documents and transactions which do not separately state the activity they are related to, shall update, when entered, the business area accounts (b), "Other".

At the end of each month, the balances of "Other" accounts are allocated as an assessment to each one of the activities (business areas a), whereas the allocation key is the participation percentage of each one in the total revenues of the Company during each closing financial year or the MWH or the meters or the employees participation.

Thereafter, the Company prepares the annual profit and loss statements of each financial year per activity.

Allocation Rules of Assets and Liabilities

The entries updating the Assets and Liabilities Accounts, such as fixed assets, reserves, customers, other receivables, suppliers, liabilities and loans are allocated based on the activity to which they relate.

At the end of each financial year, total Equity is allocated based on the difference of Assets and Liabilities of each activity, which is designated as "capital allocation to business units".

Based on the above "capital allocation", as well as the general accounting principles, the following Assets and Liabilities are also allocated by activity: Cash and any financial products, tax liabilities and receivables, provisions.

3. Contents of Activities of Annual Income and Expenditure

The annual separate Profit and Loss Account for each activity includes the Company's transactions with third parties.

In particular, each activity includes the following:

a) Generation of electricity

This activity includes Income, Expenditure and Assets and Liabilities, which are derived solely from the operation of power plants.

Expenses relating to the above income, the main ones are the following: Supply of natural gas, CO2 allowances markets, payroll, third party fees and expenses, maintenance and operational costs, consumption of spare parts, other production expenses and depreciation, as well as finance costs.

b) Supply of electricity (Retail)

This activity includes Income, Expenditure and Assets and Liabilities, which are derived from the wholesale and retail electricity trade and cross-border trade in electricity. Purchases relating to the supply of Electricity from HEnEx and companies in Greece and abroad, purchase of import and export rights and other services from ADMIE and network use (DEDDIE). Expenses mainly relate to payroll, third party payments, finance costs, amortization and miscellaneous costs. are mainly originating from billings to HEnEx and to domestic and foreign companies.

Purchases concern the supply of Electricity from HEnEx and domestic and foreign companies, the rights of import and export, and the other services from ADMIE, the network usage (DEDDIE).

Expenses mainly relate to personnel remunerations and costs, third party fees, depreciation finance costs and miscellaneous expenses.

c) Supply of gas

As per the requirements of RAE decision 162/2019.

d) Other activities

The other activities include income from other activities. The Expenses include fees, expenses, depreciation, financial and extraordinary profits or losses, which relate to the other activities of the Company, apart from the Generation and Supply of Electricity and gas, as they are mentioned above.