HERON II
THERMOILEKTRIKOS STATHMOS VIOTIAS
SOCIETE ANONYME

85, Messogeion Ave., GR-11526, Athens

General Commercial Registry of Companies No 007798101000

ANNUAL FINANCIAL REPORT

For the year

1st of January to 31st of December 2020

CONTENTS

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TRUE TRANSLATION FROM THE ORIGINAL IN GREEK

Independent Auditor's Report

To the Shareholders of the Company HERON II THERMOILEKTRIKOS STATHMOS VIOTIAS S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the company HERON II THERMOILEKTRIKOS STATHMOS VIOTIAS S.A. (the Company), which comprise the statement of financial position as at December 31, 2020, and the statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company HERON II THERMOILEKTRIKOS STATHMOS VIOTIAS S.A. as of December 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's Responsibilities for the Audit of the financial statements" section of our report. We are independent of the Company, throughout the audit, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek Legislation and the ethical requirements relevant to the audit of the financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of 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 endorsed by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern principle of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to proceed so.

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Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as they have been transposed in Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as they have been transposed 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 principle 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 to Management, 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.

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Report on Other Legal and Regulatory Requirements

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 of article 2 (part B) of L. 4336/2015, we note the following:

a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of article 150 of Greek Codified Law 4548/2018 and its content is consistent with the accompanying financial statements for the year ended 31/12/2020.

b) Based on the knowledge we obtained during our audit about the Company HERON II THERMOILEKTRIKOS STATHMOS VIOTIAS S.A. and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

Athens, 13 July 2021
The Certified Public Accountant

Vassilis Christopoulos
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Share capital € 6.440.000
85, Messogeion Ave., GR-11526, Athens
General Commercial Registry of Companies No 7798101000
S.A. Register No 64277/01/B/07/608

Board of Directors

George KOUVARIS	Chairman of the Board
Charles Jean HERTOGHE	Member of the Board
Styliani ZAHARIA	Member of the Board
Wim BROOS	Member of the Board
Pasquale Dario ACQUARULO	Member of the Board
Yves GROFILS	Member of the Board
Khalid Mubarak AL-HITMI	Member of the Board
Ali Abdulla AL-MANA	Member of the Board

Auditor

Deloitte. Certified Public Accountants S.A.

II. ANNUAL MANAGEMENT REPORT FOR THE FINANCIAL YEAR 2020

MANAGEMENT REPORT
To the Ordinary General Meeting of Shareholders
On the 2020-year balance sheet and results
Period 1/1/2020 - 31/12/2020

Dear Shareholders,

We have the honour to present you for your approval the financial Statements of the twelfth (12th) fiscal year of our Company, 1/1-31/12/2020, and give you the following explanations.

1. Main financial indicators

On 31st December 2020, owner's equity amounted to € 43.151 thousand compared to € 41.692 thousand in 2019.
The Company's main financial ratios for 2020 and 2019 fiscal years are as follows:

Financial structure ratios
(All amounts are presented in thousand Euro)

	31/12/2020		31/12/2019	
Current assets	35.679	22,46%	50.403	28,09%
Total assets	158.849		179.451	
Non-current assets	123.170	77,54%	129.048	71,91%
Total assets	158.849		179.451	

The above ratios show the proportion of outstanding capital and fixed assets.

	31/12/2020		31/12/2019	
Equity	43.151	37,30%	41.692	30,26%
Total liabilities	115.698		137.759	

The above ratio shows the Company's financial adequacy.

	31/12/2020		31/12/2019	
Total liabilities	115.698	72,83%	137.759	76,77%
Total equity & liabilities	158.849		179.451	
Equity	43.151	27,16%	41.692	23,23%
Total equity & liabilities	158.849		179.451	

The above ratios show the Company's leverage.

	31/12/2020		31/12/2019	
Equity	43.151	35,03%	41.692	32,31%
Non-current assets	123.170		129.048	

This ratio shows the ratio of corporate intangible assets financing by owner's equity.

	31/12/2020		31/12/2019	
Current assets	35.679	158,07%	50.403	107,92%
Current liabilities	22.572		46.702	

This ratio shows the Company's ability to meet its current liabilities using current assets.

	31/12/2020		31/12/2019	
Working capital	13.107	36,73%	3.701	7,34%
Current assets	35.679		50.403	

This ratio reflects the portion of current assets that is financed by the surplus of Owner's Equity and Long-term liabilities.

Return on equity and performance ratios

(All amounts are presented in thousand Euro)	**31/12/2020**		**31/12/2019**	
Year net results before tax	4.820	6,49%	(28.403)	(19,67%)
Sales of stocks & services	74.260		144.363	

This ratio presents the performance of the Company without including other results.

Year net results before tax	4.820	6,37%	(28.403)	(19,61%)
Total income	75.689		144.819	

This ratio reflects the Company's total performance in comparison with its total income.

Year net results before tax	4.820	11,17%	(28.403)	(68,12%)
Equity	43.151		41.692	

This ratio presents the return on equity of the Company.

Gross results	13.829	18,62%	985	0,68%
Sales of stocks & services	74.260		144.363	

This ratio reflects the gross profit as a percentage of the Company's sales.

2. Company Overview

HERON II THERMOILEKTRIKOS STATHMOS VIOTIAS SOCIÉTÉ ANONYME (namely, "HERON II" or the "Company") is the Joint Venture between three big players of Energy Sector: ENGIE Group of Companies, a French partner, GEK TERNA Group of Companies, a Greek partner and QATAR PETROLEUM Group of Companies, a Qatar partner as well.

ENGIE Group has been built historically through the privatization of the National Public Gas Company at 1946. In the course of time, it has progressively left production and retails as of "manufactured gas", in order to dedicate to trade, transport and delivery of natural gas. Then, it grew through the merger between GAZ DE FRANCE and SUEZ. More precisely, after the liberalization of Energy Market in Europe, ENGIE has included among its business the energy production and energy trading, as well. GDF SUEZ employs around 218,000 people worldwide. The Group is listed on the Brussels, Luxembourg and Paris stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, ASPI Eurozone and ECPI Ethical Index EMU.

GEK TERNA Group: In 2002 GEK is transformed into a Holding Company, and its constructions sector is transferred to TERNA. In 2008 GEK absorbed the holding sector of TERNA and was renamed to GEK TERNA. The Group has business in several sectors: constructions, energy, real estate, industrial and concessions, too. The Group, during the last year, has managed to strengthen significantly its position in countries other than Greece, as an important part of its revenues stems from countries of the S.E. Europe and the Middle East, due to the recent developments in these countries.

QATAR PETROLEUM Group of Companies: QATAR PETROLEUM INTERNATIONAL was founded in 2006 and is a subsidiary Company of QATAR PETROLEUM, which is the state-owned Qatar Petroleum Group. QATAR PETROLEUM INTERNATIONAL (namely QPI) is already active in Europe (UK, Italy), North America (USA, Canada), Asia (Singapore, Vietnam) and Africa.

Being one of the three main private Electricity Producers, HERON II has the same structure as the other players in Energy Sector. More precisely, HERON II owns a CCGT (*combined cycle gas turbine*) power plant. The nominal capacity is 432 MW. Commercial Operation Date is August 4th, 2010. The Company's power station is a single shaft, more precisely, includes a gas turbine and steam turbine. The Power plant's sole fuel is natural gas. Its' efficiency rate, compared with the average performance gas/fired plants in operation within the Greek system, results still top-ranking classification of the selected technology.

The unit's high efficiency also results to reduced fuel consumption, and thus low gas emissions (CO_2), a fact that renders HERON II as the most environmentally friendly conventional power plant, right after the RES (Renewable Energy Sources), indeed.

3. Economic and Financial highlights

The Turnover amounted to € 74.260 thousand (compared to € 144.363 thousand in 2019). Profits after income Tax amount to € 1.459 thousand (compared to € (32.359) thousand of losses in 2019).
The Total Assets (which includes non-current and current) amount to € 158.849 thousand (compared to € 179.451 thousand in 2019).
Company Liabilities amount to € 115.698 thousand compared to € 137.759 thousand in 2019. More precisely, the Total Financial Liabilities amounted to € 81.360 thousand, increasing by 0,47% compared to the level of 2019 (€ 80.981 thousand).
Company Cash Amounts to € 8.466 thousand and has been placed in sight deposits (€12.348 thousand in previous year).

4. Project Financing

The Company signed a hybrid financing arrangement with a consortium of Hellenic and International lenders in November 24th, 2010.
The loan, structured as a bond loan governed under English law was composed of:

- A Term loan amounting to 151 MEUR with a 13 years maturity.
- A VAT facility of 52,3 MEUR aiming at financing the constructions VAT refund.

The Term loan is repaid based on mandatory repayment and cash sweep mechanism, while the VAT facility is already repaid upon VAT collection from the Greek State. The rate interest on loans is 6 month Euribor plus margin.
The term loan is structured in 2 phases: (a) a first phase guaranteed during which the shareholders secure the loan through either parent company or bank guarantees and (b) a second phase project finance including usual requirements and covenants to the extent that certain requirements are met.
The first loan disbursement took place on 14/01/2011 and the second and final disbursement on 28/02/2011.

To ensure Bondholders regarding the above mentioned Loan the followings have been established/incorporated in favor of PIRAEUS BANK S.A. as representative and on behalf of the Bondholders:

a) Pledge of the total issued shares of the Issuer HERON II
b) Pledge of all accounts of the project with the exceptions stated in contractual documents
c) Nominal pledge on the equipment of the project valued € 229,5M
d) Assignment of insurance contracts (damage and loss of income)
e) Pledge on all rights arising from the contractual documentation of the project

Also, on November 24th, 2010 the Company signed a subordinated common bond loan with the two (then) shareholders for an amount of 49,1 MEUR. The loan will be fully repaid by the September 30th, 2023. The loan bore an initial fixed interest at 6,75%. In January 2012 the Company has reimbursed the last tranche of the VAT facility loan (full and complete repayment). For the outstanding amount of 2020, please refer to notes 13 and 28.

5. Real estate of the Company

The Company does not own any real estate properties. The plant had been constructed on a long-term leased plot.

6. Significant events during the fiscal year 2020

I. Scheduled Heavy Maintenance of Electricity Generation Plant

The plant, according to the already defined maintenance schedule, ceased operations for the period from August 2020 to March 2021. During this period, heavy maintenance work took place. It should be noted that the Company has insured the risk of prolonged shutdown of production, and therefore for the period when the production process was interrupted the necessary actions have been taken to obtain compensation from insurance companies and already for the year 2020 an amount € 5,900 thousand was recognized as compensation against this particular risk.

II. Discussion of the Company's lawsuit against IPTO (Independent Power Transmission Operator) for the provision of ancillary services

In the context of the execution of its operations, the Company has made legal claims against third parties (lawsuit against IPTO claiming interest on arrears, lawsuit against IPTO for Auxiliary Services - Secondary Reserve, etc.). More specifically, the Company's claim is related to invoices, with regard to Auxiliary Services (Secondary Reserve), issued to IPTO for the amount of € 7,462 thousand including VAT, an amount claimed in a lawsuit filed by the Company against the IPTO under Application No. 29533/822/25.2.2013. By this legal action, the Company is claiming the payment of invoices for the ancillary services of November and December 2011 as well as January, February and March 2012. The Company's lawsuit was discussed on 19.11.2015 and the Court ruled (with the no. 700/11.03.2016) to postpone the issuance of a decision until the final decision of the Council of State on the (relevant) Administrative procedure, i.e. on the application number 822 / 20.02.2013 of the Company against the decision of RAE (Regulatory Authority for Energy) for Auxiliary Services, which was accepted by the decision with number 1579/17.03.2014 of the Administrative Court of Appeal of Athens and against which an appeal was filed by RAE before the Council of State. The Appeal was finally, after a series of postponements, discussed on April 2, 2019 and the Council of State with the no. 1053/4.6.2019 decision rejected RAE's Appeal. Given this, the Company reopened its Lawsuit against IPTO by summons before the Athens Multi-Member Court of First Instance, with a date of discussion of its Lawsuit, February 20, 2020. The Company's Law was discussed at the above court session as of February 20, 2020 and the Decision of the Athens Multi-Member Court of First Instance is expected in 2020.

The above mentioned Decision has been issued but until the date of approval of the Financial Statements had not yet been presented to the Company.

7. Significant events after the end of the year and until the preparation of this Report

Apart from the above, no other significant events have occurred until the date of submission of this Report.

8. Risk management objectives and policies

The Company is exposed to multiple financial risks such as market risk, credit risk and liquidity risk. The Company's risk management plan aims to reduce the negative impact on financial results arising from the inability to predict the course of financial markets and the fluctuations in various cost and

sales variables. The risk management policy is applied by the financial services department of the Company.
The procedure applied is the following:

- assessment of the risks related to the activities and operations of the Company,
- formulating the methodology and selecting the appropriate financial products to reduce the risks; and
- Execution / implementation, according to the procedure approved by the Management, of the risk management process.

The Company's financial instruments consist mainly of bank deposits, trade debtors and creditors, and lease liabilities.

Operational Risks
The main risks associated with the development of the Company's business activities could be or relate to material losses, business interruptions, human resources and losses arising from systems or external events. The Company, in order to protect itself against operational risks, has entered into agreements with primary insurance companies for Material Loss insurance, Cessation of Business Activity and Civil Liability Insurance.

Market Risks
Along its business activity in the Market, the Company produces and supplies with Electricity the market operator and administrator of the domestic energy system (Hellenic Energy Exchange).
The fluctuation of the prices of basic goods and other related items or accounts that affect the formation of the production cost of electricity is at times particularly large and follows directly both global trends, e.g. gas prices, carbon dioxide rights prices, as well as local-national conditions, such as changes in demand in times of crisis or economic recovery, and are greatly influenced by regulatory changes in markets' planning. At the same time, the formation of the selling prices of both energy and services for the market operator and the system administrator, respectively, is dictated by the conditions of market competition, mainly in the context of short-term energy and equilibrium markets. In the context of the futures market, the formation of energy selling prices can take the form of a variable sale price based on the purchase cost plus a bonus or a fixed price.
In the above context, the Company analyses its exposure to the ever changing prices of the electricity market in relation to the selling prices agreed with its customers and based on the conditions of competition in short-term energy and equilibrium markets, and develops a dynamic risk hedging strategy through the various tools available (indicatively: futures contracts for the sale of energy and the purchase of natural gas at a fixed price for long periods of months or one year, financial dispute agreements for individual market prices / costs, direct participation in the carbon dioxide options market, etc.).
Immediately after the outbreak of the COVID-19 pandemic and the restrictive measures imposed, the Company focused on processes of continuous analysis and assessment of the main sources of risk that emerged or were expected to emerge, such as increased volatility (like initial drop and then subsequent increase) of all energy prices worldwide, the significant drop in demand and the assessment of the impact of the pandemic on GDP, especially in the peak summer period, the difficulty in forecasting and estimating demand due to restrictive measures and the cessation of the operation of many companies, etc. Based on this analysis, the Company made decisions to manage the relevant risk.
Regarding the outbreak of the COVID-19 epidemic at the beginning of 2020 and the unprecedented related restraint measures that followed, which resulted in the creation of a particularly negative economic and social environment, globally and locally, the Company's Management considers that the industry belongs to those business categories that are not significantly affected in the event of a slowdown in the global economy due to the spread of the disease.
The Management of the Company constantly monitors and carefully evaluates the situation and its possible effects on the business activities of the Company itself, taking initiatives that deal as much as possible with the impact of the effects of the pandemic.

Financial Products and Risk Management
The Company implements its own Risk Policy which represents and serves the guidelines regarding the approach and coverage of (i) market risk, (ii) volume risk and (iii) credit risk.

Non-derivative financial assets and liabilities of the Statement of financial position include cash and cash equivalents, trade receivables, other financial receivables, loans, leases, trade payables and other current liabilities. The Company does not use derivative financial instruments. Financial risk management aims to minimize the potential negative effects.
Specifically, the Company is exposed to the following financial risks:

(i) Interest rate risk
Interest rate risk is the probability that the fair value of a financial instrument's future cash flows will fluctuate due to changes in market interest rates.

Bank debt is denominated in Euros and is subject to floating interest rates. The Company has not entered into interest rate hedging contracts. Regarding the Subordinated Bond Loan of Shareholders, since it is based on fixed interest rate, there is no risk of interest rate change. The Company's Management monitors and evaluates the evolution of interest rate fluctuations and every time makes sure that it will take, if necessary, the appropriate measures to reduce the risks.

(ii) Foreign exchange risk
Foreign exchange is the risk that arises when the fair value or future cash flows of a financial instrument are subject to fluctuations due to changes in exchange rates. This type of risk may arise from exchange differences in the valuation of financial assets, mainly receivables and financial liabilities, from transactions denominated in a currency other than the Company's operating currency, which is the Euro.
The Company is not exposed to foreign exchange risk as all its financial instruments (receivables and liabilities) are denominated in Euro.

(iii) Credit risk
Almost all trade and other receivables come from the broader public sector, which represents the main energy authorities in the country. Therefore, the relevant credit risk is considered negligible in relation to the main activity of the company (electricity generation) and the regulations of the gas and electricity market. The same applies to short-term financial assets (cash equivalents), as the counterparties are banks whose credit rating by well-known foreign rating agencies is considered satisfactory.
The Company's policy is to seek business activities with customers with satisfactory creditworthiness, including customers who minimize the risk if necessary.

(iv) Market risk
The Company for its financial assets is not exposed to any market risk.

(v) Liquidity risk
The Company manages its liquidity needs by carefully monitoring the financial liabilities as well as the payments made daily. Liquidity needs are monitored in various time zones, on a daily and weekly basis as well as in a rolling period of 30 days. Liquidity needs for the next 6 months and the following year are determined monthly.
The Company maintains sufficient cash in banks to meet liquidity needs for a period of up to 30 days.

9. Global public health crisis from the coronavirus pandemic (COVID -19)

At the end of December 2019, the new coronavirus strain SARS-CoV-2, which causes coronavirus disease (COVID-19), appeared in China. In the following months, coronavirus disease (COVID-19) spread rapidly worldwide and on March 11, 2020, the World Health Organization declared the coronavirus outbreak (COVID-19) a pandemic. The COVID-19 pandemic has led to an unprecedented crisis in global health and the economy. In Greece, the virus was first detected in late February 2020, leading to a national quarantine. At the beginning of May 2020, a gradual easing of quarantine restrictions began, which lasted until June 2020. During the summer, however, the increase in COVID-19 cases in Greece led to the early end of the tourist season and the resumption of restriction measures. Measures of limited reopening of the stores were implemented during the festive period

of Christmas 2020. Throughout the pandemic, the Company constantly acts based on the instructions and decisions of all relevant bodies and authorities, observing and complying with the requirements and the action plan adopted by the Greek authorities.
In the context of the public health protection, many countries have adopted extraordinary, temporary and costly restraining measures (some countries have required companies to restrict or even suspend their normal business activities). The Greek Government, in an effort to keep the infection cases and deaths low to the point where a large percentage of the population could be vaccinated, has taken stricter measures than in other European countries, taking repeated restraining measures in the fields of tourism, trade, food catering and entertainment. To support workers and businesses affected, the Greek government has also taken fiscal measures through combined actions to safeguard employment and suspend the payment of various obligations, measures that have subsequently reduced the negative impact on the economy.
According to the Bank of Greece, all these measures resulted into a recession in the Greek economy of 8.2% for 2020, while at the level of the Eurozone, the economy contracted by 6.6%.
The global impact of the pandemic has resulted in the European Union being forced to approve € 1.824 billion in funding to help its members deal with the effects of the COVID-19 pandemic on the European economy. Greece is expected to raise € 72 billion from these funds, € 31 billion through the Recovery and Resilience Fund (€ 18 billion in grants, € 13 billion in loans) and € 40 billion through the EU Cohesion Fund (ESPA) for the period 2021-2027.
The health crisis from the coronavirus pandemic (COVID-19) has led the world economy to a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far, as the situation is constantly evolving. The economic impact will depend on the duration and intensity of the recession, as well as the prospects for recovery. Already to address the health and consequently the economic aspects of the pandemic, governments around the world have launched ongoing mass vaccination programs aimed at covering the entire population and building the required immune wall, which will lead back to normality. Based on the fact that the pandemic has not yet been fully controlled, in combination with the presence of virus mutations that alter the transmissibility rate of the virus and the effectiveness of vaccines, this particular risk remains one of the main risks of the Company.
The Company's Management with an extremely high sense of responsibility, towards its customers, employees, suppliers, and partners, monitors the developments regarding the coronavirus pandemic (COVID-19), assessing the possible risk factors that could influence its financial position, business activities and financial results. Specifically, the Company has implemented and is enforcing the law on compulsory teleworking, giving priority to its employees, who use the means of transport and defining the location of specific spots in the workplace in order to maintain distances. The Company also asked its employees to take molecular tests after returning from summer vacation and self - tests after Easter holidays. It has increased cleaning and disinfection of its offices in the area of its facilities and its leased stores. Finally it has reduced physical meetings to the absolutely necessary ones.
The Company in the area of its production facilities where teleworking could not be applied organized the work in shifts which are carried out by specific individuals. At the entrance of the factory space, a thermometer-based measurement is taking place, while during the maintenance works, external collaborators enter the space only after presenting a (negative) molecular test.

10. Non-financial data

Adopting the provisions of Law 4403/2016, a section of non-financial data is being drafted and developed, which concerns the areas with the greatest impact for the company in environmental, social, labor and human rights issues, fight against corruption and bribery.
The Company pursues business excellence and aims at best practices with responsible development and absolute respect for the environment in which it operates.

(i) Vision and principles
The Company, based on the principles of Sustainable Development, its effective organizational structure, its insightful business strategy and the high know-how of its people, excels in important areas of business activity. Its dynamic presence is accompanied by its unwavering support to the local

community in which it operates, by absolute respect for the natural environment and by the completion of projects-landmarks that create value for future generations.
The Company operates by prioritizing values showing at the same time that ethical and sustainable entrepreneurship are a lever for growth.
These are:
• Respect for humans and the natural environment
• Creating value for its employees, partners and customers
• Honesty and reliability
• The targeted social contribution

(ii) Strategic approach to Corporate Responsibility
The Company is exposed to multiple risks, which are related to a number of external factors that come mainly from economic conditions in Greece. Additional financial risks affect the financial position of the Company and the way in which it makes business decisions and enters into strategic partnerships in Greece.

(iii) Responsibility for the environment
Corporate Responsibility is accompanied by a framework of principles, the effective integration of which affects the operation of the Company and guarantees the protection of the environment and optimal management of natural resources as well as the adoption of environmentally friendly technologies thus minimizing the burden of the Company's activity.
The Company recognizes the degree of its impact on the natural environment, and for this reason it has set the latter's protection as a priority within its strategy. At a minimum, the Company fully complies with the current legislation and the regulatory framework in the environments where it operates and seeks to exceed the minimum requirements.

(iv) Occupational Health and Safety Issues
The Company, through a specific Health and Safety Policy but also a strict Health and Safety Management System, aims at the timely identification and minimization of the risks that concern all of its business activities.
The approach followed by the Company is based on the following 5 axes:
1. Active role of the Management
2. Employee participation
3. Collaborations based on Health and Safety
4. Actions that promote Health and Safety
5. Compliance control inspections

(v) Labor Issues
Corporate Responsibility is accompanied by a framework of principles, the effective integration of which affects the operation of the Company and guarantees:
• The development and strengthening of human resources
• The strengthening of employees' skills
• Ensuring equality and a fair working environment
• Enhancing know-how and innovation
• Health and Safety
• Ensuring Health and Safety for the employees and associates of the Company and
• Ensuring Health and Safety for the users

The Company invests in the human resources element which staffs its operations whereas it continuously and uninterruptedly takes care of its personnel's professional development, security and prosperity. The continuous training and development it offers is in line with the anthropocentric approach of the Company, which is officially reflected in the Code of Ethics & Conduct of GEK TERNA Group to which the Company belongs, "based on a system of principles that promotes mutual trust, transparency, cooperation, recognition , integrity, equal opportunities and motivation for progress and which distinguishes the skills and personality characteristics of each person, contributes to overcoming personal and interpersonal difficulties, promotes the innovation of thoughts and actions

based on the latest achievements each time and ultimately creates a sense of security and meritocracy for all the Company's employees in a modern environment".
Training and providing opportunities boosts employees' confidence, strengthens culture and team spirit and promotes innovation. At the same time, the personal and professional development of the executives ensures the continuous development and growth of the Company itself, thus securing its leading position in the market.

11. Transactions with related parties

The transactions as well as the balances of the Company with related parties for the period ended 31.12.2020 and 31.12.2019 are as follows:

Fiscal Year 31.12.2020

Related party	Income	Purchases	Debit Balances	Credit Balances
Affiliated Companies	423	40.414	410	69.417

Fiscal Year 31.12.2020

Related party	Income	Purchases	Debit Balances	Credit Balances
Affiliated Companies	497	52.330	743	74.354

The earnings of the Members of the Board and the senior executives of the Company recognized on 31st December 2020 as well as the respective balances are:

	1.1-31.12.2020	1.1-31.12.2019
Services fees	450	457
Payroll	0	0
Total	450	457
	31.12.2020	**31.12.2019**
Liabilities	0	0
Assets	0	8

Dear Shareholders,
Following the foregoing, we kindly request you to approve the balance sheet and the results of year 2020.

Athens, 30 June 2021
On behalf of the Board of Directors,

The Chairman

George Kouvaris

ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020
(1 January - 31 December 2020)

According to the International Financial Reporting Standards

The Financial Statements were approved by the Board of Directors of HERON II THERMOELECTRIC PLANT OF VIOTIA SOCIETE ANONYME (hereinafter the “Company”) on the 30th of June 2021 and have been published on the website of the Company, http://heronii.gr/ where they will remain available for at least a 5-years period from the date they are prepared and published. It is stressed that the attached financial Statements are subject to the approval of the Annual General Meeting of the Company's shareholders. The Annual General Meeting of the Company's shareholders has the power to amend the attached financial Statements.

HERON II VIOTIAS SOCIETE ANONYME
STATEMENT OF FINANCIAL POSITION
31st December 2020
(All amounts are presented in thousand Euros, unless otherwise stated)

	Note	31.12.2020	31.12.2019
ASSETS			
Non-current assets			
Intangible assets	4	92	3
Right-of use assets	5	1.042	1.165
Tangible fixed assets	6	121.894	127.726
Other investments	7	10	10
Other long-term receivables	8	132	144
Total non-current assets		**123.170**	**129.048**
Current Assets			
Inventories	9	3.983	3.737
Trade receivables	10	11.999	29.544
Other receivables	11	11.209	4.754
Income tax receivables		22	20
Cash and cash equivalents	12	8.466	12.348
Total current assets		**35.679**	**50.403**
TOTAL ASSETS		**158.849**	**179.451**
EQUITY & LIABILITIES			
Equity			
Share capital	19	6.440	6.440
Share premium account		95.496	95.496
Reserves	20	1.377	1.359
Profit/(Loss) Retained earnings		(60.162)	(61.603)
Total equity		**43.151**	**41.692**
Non-Current liabilities			
Long-term loans	13	66.180	67.574
Liabilities from leases	14	964	1.026
Provision for staff retirement indemnities	15	302	279
Provision for dismantlement	16	1.459	1.342
Deferred tax liability	21	24.221	20.836
Total Non-Current liabilities		**93.126**	**91.057**
Current liabilities			
Short-term loans	13	14.000	0
Long-term liabilities payable in the following year	13	1.180	13.407
Short-term portion of liabilities from leases	14	113	159
Suppliers	17	5.236	19.493
Accrued and other short-term liabilities	18	2.043	13.643
Total current liabilities		**22.572**	**46.702**
TOTAL EQUITY AND LIABILITIES		**158.849**	**179.451**

The accompanying notes are an integral part of the financial Statements.

HERON II VIOTIAS SOCIETE ANONYME
STATEMENT OF COMPREHENSIVE INCOME
31st December 2020

(All amounts are presented in thousand Euros, unless otherwise stated)

	Note	2020	2019
Revenue	22	74.260	144.363
Cost of goods sold	23	(60.431)	(143.378)
Gross profit/(loss)		**13.829**	**985**
Administrative and selling expenses	23	(1.538)	(1.435)
Other income / (expenses)	27	1.369	(20.499)
Financial income	26	28	63
Financial expenses	26	(8.868)	(7.517)
Earnings/(loss) before income tax		**4.820**	**(28.403)**
Income tax	21	(3.379)	(3.794)
Earnings/(loss) after income tax		**1.441**	**(32.197)**
Other Comprehensive Income (not to be recycled in profit and loss)			
Actuarial losses		24	(11)
Income tax		(6)	1
		18	**(10)**
TOTAL COMPREHENSIVE INCOME		**1.459**	**(32.207)**

The accompanying notes are an integral part of the financial Statements.

HERON II VIOTIAS SOCIETE ANONYME
STATEMENT OF CASH FLOWS

31st December 2020

(All amounts are presented in thousand Euros, unless otherwise stated)

	Note	2020	2019
Cash flows from operating activities			
Earnings/(loss) before income tax		**4.820**	**(28.403)**
Adjustments for reconciliation of net flows from operating activities			
Depreciation	4, 5,6	9.694	10.951
Impairment of assets		0	20.000
Impairment of receivables	10	(1.015)	660
Provisions		44	32
Interest and related income	26	(28)	(63)
Interest and related expenses	26	8.868	7.517
Operating profit before changes in working capital		**22.383**	**10.694**
(Increase)/decrease in:			
Inventories		(246)	(178)
Trade receivables		18.560	(1.188)
Prepayments and other short-term receivables		(6.443)	2.385
(Increase)/decrease in:			
Suppliers		(14.257)	10.757
Liabilities from customers' contracts		0	(785)
Accrued and other short-term liabilities		(11.600)	(4.191)
Income tax payments		(2)	(4)
Net cash flows from operating activities		**8.395**	**17.490**
Cash flows from investing activities			
Net additions of fixed assets		(3.828)	(72)
Interest and related income received		28	63
Cash flows from investing activities		**(3.800)**	**(9)**
Cash flows from financing activities			
Net change in long-term loans	13	(19.956)	(12.296)
Liabilities from leases payments	14	(108)	(95)
Income from long-term loans		14.000	0
Interest paid		(2.413)	(1.736)
Cash flows from financing activities		**(8.477)**	**(14.127)**
Net increase in cash		**(3.882)**	**3.354**
Cash and cash equivalents at the beginning of the year		12.348	8.994
Cash and cash equivalents at year end		**8.466**	**12.348**

The accompanying notes are an integral part of the financial Statements.

HERON II VIOTIAS SOCIETE ANONYME

STATEMENT OF CHANGES IN EQUITY

31st December 2020

(All amounts are presented in thousand Euro, unless otherwise stated)

	Share capital	Share Premium Account	Reserves	Profit carried forward	Total
1st January 2019	**6.440**	**95.496**	**1.369**	**(29.406)**	**73.899**
Total comprehensive income	-	-	(10)	(32.197)	**(32.207)**
Formation of statutory Reserves	-	-	-	-	**-**
31st December 2019	**6.440**	**95.496**	**1.359**	**(61.603)**	**41.692**
1st January 2020	**6.440**	**95.496**	**1.359**	**(61.603)**	**41.692**
Total comprehensive income	-	-	18	1.441	**1.459**
Formation of statutory Reserves	-	-	-	-	**-**
31st December 2020	**6.440**	**95.496**	**1.377**	**(60.162)**	**43.151**

The accompanying notes are an integral part of the financial Statements.

1. ESTABLISHMENT AND ACTIVITIES OF THE COMPANY

HERON II THERMOILEKTRIKOS STATHMOS VIOTIAS SOCIETE ANONYME (hereinafter the "Company") is a company incorporated in Greece and was set up as a Société Anonyme on 27.09.2007.

It has its registered office at 85, Messogeion Avenue, 115 26 Athens Greece and its term is set at fifty (50) years.

The Company is registered at the General Commercial Electronic Registry under No 7798101000 and at the Greek Société Anonyme Registry under No 64277/06/B/07/608.

Its main activity is the construction, installation, operation of thermoelectric combined cycle power plants (using gas as fuel).

The Company has completed the construction of the 435MW combined cycle electricity generation plant in the industrial zone of Thiva at the location of Haraintini and has set it into operation since August 2010.

The Company belongs by 25% at TERNA S.A, a subsidiary of the Athens Stock Exchange listed GEK TERNA S.A, by 50% at ENGIE INTERNATIONAL HOLDINGS B.V, a subsidiary of ENGIE S.A, listed at the Paris Stock Exchange and by 25% at QATAR PETROLEUM INTERNATIONAL GAS & POWER OPC following the agreement signed with TERNA S.A at March 5, 2014 for the purchase of 25% of its total shares. The company's financial statements are consolidated using the equity method in the consolidated financial statements of the aforementioned companies.

2. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS

a) Preparation basis of financial Statements

The attached financial statements have been prepared on the basis of the historic cost principle and have been prepared in compliance with International Financial Reporting Standards (IFRS) which have been issued by the International Accounting Standards Board, as well as their Interpretations which have been issued by the Standards Interpretations Board, as adopted by the European Union up to the 31st December 2019. There are no standards that have been adopted before their effective date.

Going concern

The Company's management estimates that it holds sufficient resources which secure its normal continuation of operations as a Going Concern in the foreseeable future.

b) New standards, amendments of standards and interpretations

The accounting principles applied during the preparation of the financial statements are the same as those followed for the preparation of the financial statements for the period ended on December 31, 2019, except for the adoption of new standards and interpretations, whose application is mandatory for periods beginning on 1 January 2020.

From January 1st 2020 the Company adopted new standards, amendments of standards and interpretations as follows:

IAS 1 and IAS 8: "Definition of Material"

The amendments aim to align the definition of 'material' across the standards and to clarify certain aspects of the definition.

The new definition states that "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity". Additionally, the entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

The amendments have no significant impact on the financial position and / or the financial performance of the Company.

IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform"

The amendments published deal with issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative interest rate and address the implications for specific hedge accounting requirements in IFRS 9 (Financial Instruments) and IAS 39 (Financial Instruments: Recognition and Measurement), which require forward-looking analysis.

There are also amendments to IFRS 7 (Financial Instruments: Disclosures) regarding additional disclosures around uncertainty arising from the interest rate benchmark reform.

The amendments have no significant impact on the financial position and / or the financial performance of the Company.

IFRS 3: "Definition of a Business"

The amendments provide entities with application guidance to distinguish between a business and a group of assets in the process of determining the nature of the activities and assets acquired.

The amendments to IFRS 3 are effective as of January 1st, 2020 and must be applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after January 1, 2020, Consequently, entities do not have to revisit such transactions that occurred in prior periods.

The amendments have no significant impact on the financial position and / or the financial performance of the Company.

IFRS 16: "Covid-19-Related Rent Concessions"

The amendments introduce an optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19.

Specifically, lessees who chose to apply the practical expedient are not required to assess whether eligible rent concessions are lease modifications, and accounts for them in accordance with other applicable guidance. Lease concessions in the form of a one-off reduction in rent, will be accounted for as variable lease payments and be recognized in profit or loss of the reporting period.

The practical expedient is applicable to rent concessions which occurred as a direct consequence of the covid-19 pandemic and only when the revised consideration is substantially the same or less than the original consideration, the reduction in lease payments relates to payments due on or before 30 June 2021 and no other substantive changes have been made to the terms of the lease.

The application of the practical expedient shall be disclosed along with the consequent amount recognized in profit or loss for the reporting period.

The IASB decided not to provide any additional relief for lessors.

The amendment is effective for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted.

The amendments have no significant impact on the financial position and / or the financial performance of the Company.

New standards, interpretations and amendments effective for periods beginning on or after January 1st, 2021

IFRS 3: "Reference to the Conceptual Framework"

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 and introduce an exception to the recognition principle in order to determine what constitutes an asset or a liability in a business combination.

The amendments are effective as of January 1st, 2022 and are not yet endorsed by the European Union.

IAS 16: "Proceeds before Intended Use"

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

The amendments are effective as of January 1st, 2022 and are not yet endorsed by the European Union.

IAS 37: "Onerous Contracts — Cost of Fulfilling a Contract"

The amendments specify which costs a company must include when assessing whether a contract will be loss-making. Specifically, the amendments require that the cost of fulfilling a contract should include both the incremental costs of fulfilling that contract along with an allocation of other costs that relate directly to fulfilling contracts.

The amendments are effective as of January 1st, 2022 and are not yet endorsed by the European Union.

IAS 1: "Classification of Liabilities as Current or Non-current"

The amendments aim to provide guidance for the consistent application of IAS 1 requirements regarding the classification of debt and other liabilities with an uncertain settlement date, as current or non-current in the statement of financial position.

The amendments are effective as of January 1st, 2023 and are not yet endorsed by the European Union.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I) The main accounting policies adopted during the preparation of the attached Financial Statements are the following:

a) Intangible Assets

Intangible assets mainly consist of software costs and all expenses incurred to develop the software in order to bring it to operating condition.
Amortization on software is accounted for based on the straight line method for a period of five years.

b) Tangible Fixed Assets

The land, buildings, machinery and vehicles are measured at cost less accumulated depreciation and any provisions for impairment.
Repairs and maintenance are booked as expenses during the year in which they are incurred. Significant improvements are capitalized in the cost of the respective fixed assets provided that they augment the useful economic life, increase the production level or improve the efficiency of the respective fixed assets.
Tangible fixed asset items are eliminated from the balance sheet on disposal or withdrawal or when no further economic benefits are expected from their continued use. Gains or losses resulting from the elimination of an asset from the balance sheet are included in the income statement of the financial year in which the fixed asset in question is eliminated.
Depreciation is calculated according to the straight-line method using rates that approximate the relevant useful economic life of the respective assets.

Tangible Fixed Assets	Useful life (in years)
Buildings	25
Machinery and Technical Installations	4-25
Furniture and Other Equipment	1-10

Tangible assets under construction include fixed assets that are work in progress and are recorded at cost. Tangible assets under construction are not depreciated until the asset is completed and put into operation.

c) Leases

The Company as a lessee

The Company assesses whether a contact is or contains a lease, at inception of a contract. Accordingly, it recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the leases. If this rate cannot readily be determined, the Company uses its incremental borrowing rate. Lease payment included in the measurement of the lease liability comprise:

- fixed lease payment (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under the residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The lease liability is presented as a separate line in the consolidated statement of financial position. The right-of-use asset comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. The Company applies IAS 36 to determine whether a right-of-use asset is impaired.
Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. The costs are included in the related right-of-use asset. The Company did not incur any such costs during the periods presented.
Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-

of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the lease commencement date.
The right-of-use assets are presented as a separate line in the consolidated statement of financial position.
Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occur and are included in the captions of "Distribution expenses" and "Administrative expenses" in the statement of profit or loss and other comprehensive income.
As permitted by IFRS 16, the Company applied the practical expedient according to which a lessee is not required to separate non-lease components, and as such, it accounts for any lease and associated non lease components as a single arrangement.

d) Impairment of Non-Financial Assets
The book values of long-term assets, other than tangible fixed assets with an indefinite life, are reviewed for impairment purposes when facts or changes in circumstances imply that the book value may not be recoverable. When the book value of an asset exceeds its recoverable amount, the respective impairment loss is recorded in the net earnings. The recoverable amount is defined as the largest between the fair value minus the sale cost and the value in use.
The fair value minus the sale cost is the plausible income from the sale of an asset , in which all parties have full knowledge and willingness, after the deduction of each additional direct sales cost for the asset, while the value in use consists of the net present value of future estimated cash flows expected to occur from the continuous use of the asset and from the income expected to arise from its sale at the end of its estimated useful economic life. In order to determine the impairment, the asset items are grouped at the lowest level for which cash flows can be recognized separately.
A reversal of an impairment for the value of assets accounted for in previous years, takes place only when there are sufficient indications that such impairment no longer exists or it has been reduced. In these cases the above reversal is treated as income in net earnings.
The Management performed a test of the recoverable amounts of the Company assets and based on the results of this test, estimated that there is case for impairment of fixed assets of the Company. Based on the approved from the B.O.D. 5 years' plan (approved at 14/12/2015) and using a discount rate of 8,9% the company proceed with an impairment of € 18,5M€, that affected "Other income/(expenses)" and "Tangible fixed assets" of 2015.

e) Inventories
Inventories include spare parts and other material. Inventories are valued at the lower of cost and net realizable value.
A provision for impairment is made if it is deemed necessary.

f) *Financial assets – Trade receivables*
I. Recognition and derecognition

Financial assets and financial liabilities are recognized in the Statement of Financial Position when and only when the Company becomes a party to the financial instrument.
The Company ceases to recognize a financial asset when and only when the contractual rights to the cash flows of the financial asset expire or when the financial asset is transferred and the substance substantially transfers all the risks and benefits associated with the specific financial asset. A financial liability is derecognized from the Statement of Financial Position when, and only when, it is repaid - that is, when the commitment set out in the contract is fulfilled, canceled or expires.

II. Classification and initial recognition of financial assets

With the exception of trade receivables that do not include a significant finance item and are measured at the transaction price in accordance with IFRS 15, other financial assets are initially measured at fair value by adding the relevant transaction cost except in the case of financial assets measured at fair value through profit or loss.
Financial assets, except those defined as effective hedging instruments, are classified into the following categories:

- Financial assets at amortized cost,
- Financial assets at fair value through profit & loss, and
- Financial assets at fair value through other comprehensive income without recycling cumulative profit and losses on derecognition (equity instruments)

Classification of every asset is defined according to:

– the Company's business model regarding management of financial assets, and
– the characteristics of their conventional cash flows.

All income and expenses related to financial assets recognized in the Income Statement are included in the items "Other financial results", "Financial expenses" and "Financial income", except for the impairment of trade receivables included in operating results.

III. Subsequent measurement of financial assets

Financial assets at amortized cost
A financial asset is measured at amortized cost when the following conditions are met:

i. financial asset management business model includes holding the asset for the purposes of collecting contractual cash flows,
ii. contractual cash flows of the financial asset consist exclusively of repayment of capital and interest on the outstanding balance ("SPPI" criterion).

Following the initial recognition, these financial assets are measured at amortized cost using the effective interest method. In cases where the discount effect is not significant, the discount is omitted.
The amortized cost measured category includes non-derivative financial assets such as loans and receivables with fixed or pre-determined payments that are not traded on an active market, as well as cash and cash equivalents, trade and other receivables.

Financial assets classified at fair value through total income (equity interests)
In accordance with the relevant provisions of IFRS 9, at initial recognition, the Group may irrevocably choose to disclose to other profit or loss directly in equity the subsequent changes in the fair value of an equity investment that is not for trading.

Profits and loss from these financial assets are never recycled to the income statement. Dividends are recognized as other income in the income statement when the payment entitlement has been proved, unless the Company benefits from such income as a recovery of part of the cost of the financial asset, then such profit is recognized in the statement of comprehensive income. Equity interests designated at fair value through total income are not subject to an impairment test. This option is effective for each security separately.

IV. Impairment of financial assets

Adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets, as it replaced the treatment of IAS 39 for recognition of realized losses by recognizing the expected credit losses.
Impairment is defined in IFRS 9 as an Expected Credit Loss (ECL), which is the difference between the contractual cash flows attributable to the holder of a particular financial asset and the cash flows expected to be recovered, i.e. cash deficit arising from default events, discounted approximately at the initial effective interest rate of the asset.

The Company recognizes provisions for impairment for expected credit losses for all financial assets except those measured at fair value through profit or loss. The objective of the IFRS 9 impairment provisions is to recognize the expected credit losses over the life of a financial instrument whose credit risk has increased since initial recognition, regardless of whether the assessment is made at a collective or individual level, using all the information that can be collected on the basis of both historical and present data, as well as data relating to reasonable future estimates of the financial position of customers and the economic environment.
To facilitate implementation of this approach, a distinction is made among:

- financial assets whose credit risk has not deteriorated significantly since initial recognition or which have a low credit risk at the reporting date (Stage 1) and for which the expected credit loss is recognized for the following 12 months,
- financial assets whose credit risk has deteriorated significantly since initial recognition and which have no low credit risk (Stage 2). For these financial assets, the expected credit loss is recognized up to their maturity.
- financial assets for which there is objective evidence of impairment at the reporting date (Stage 3) and for which the expected credit loss is recognized up to maturity.

Trade receivables, other receivables and receivables from contracts with customers

The Company apply the simplified approach of IFRS 9 to trade and other receivables. The Company applies the simplified approach of IFRS 9 to trade and other receivables as well as to receivables from on construction contracts and receivables from leases, estimating the expected credit losses over the life of the above items. In this case, the expected credit losses represent the expected shortfalls in the contractual cash flows, taking into account the possibility of default at any point during the life of the financial instrument. In calculating the expected credit losses, the Company uses a provisioning table by grouping the above financial instruments based on the nature and maturity of the balances and taking into account available historical data in relation to the debtors, adjusted for future factors in relation to the debtors and the economic environment.

g) Cash and Cash Equivalents

The Company considers time deposits and other highly liquid investments with an initial maturity less than three months, as cash and cash equivalents.
For the compilation of the cash flow statements, cash and cash equivalents consist of cash, deposits in banks and cash and cash equivalents as defined above.

h) Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when, and only when, the Company is subject to the financial instrument. As the accounting requirements for financial liabilities remained broadly similar to those set in IAS 39, the Group's accounting policies regarding financial liabilities were not affected by the adoption of IFRS 9.
The Company's financial liabilities include mainly borrowings from lease agreements, suppliers and other liabilities. Financial liabilities are initially recognized at cost, which is the fair value of the consideration received outside borrowing costs. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method.
Financial liabilities are classified as short-term liabilities unless the Company has the unconditional right to transfer the settlement of the financial liability for at least 12 months after the financial statements reporting date.

i) Provisions for Staff Retirement Indemnities

According to the replaced provisions of L. 2112/1920 by L.4093/2012, the Company reimburses its retiring or dismissed employees, and the amount of the relevant indemnities depends on the years of service, the level of wages and the reason for exit from employment (dismissal or retirement).

The liabilities for staff retirement indemnities are calculated using the discounted value of future benefits that have accrued at the end of the year, based on the recognition of the employees' benefit rights during the duration of their expected working years. The above liabilities are calculated based on the financial and actuarial assumptions and are defined using the projected unit method of actuarial valuation.

Net retirement costs for the period are included in the net earnings or other conrehensive income, as the case may be, and consist of the present value of benefits that have accrued during the year, the interest on the benefits' liability, the cost of prior service, the actuarial profit or loss and any other additional retirement costs. The prior service costs are recognized immediately. The liabilities for retirement benefits are not financed. Actuarial profits and losses are registered in other comrehensive income not recycled in profit and loss.

j) Government Pension Plans

The staff of the Company is mainly covered by the main Government Social Security Fund for the private sector (IKA) and which provides pension and medical-pharmaceutical benefits. Each employee is required to contribute part of his/her monthly salary to the fund, while part of the total contribution is covered by the Company. At the time of retirement, the pension fund is responsible for the payment of retirement benefits to the employees. Consequently, the Company has no legal or constructive obligation for the payment of future benefits according to this plan.

k) Income Tax (Current and Deferred)

Current and deferred taxes are calculated based on the financial statements of the company that are compiled according to the tax regulations in effect in Greece. Current income tax is calculated based on the earnings of the Company as such are reformed on the company's tax returns, additional income tax emerging from the Tax Authorities' tax audits, on deferred income tax based on the enacted tax rates, as well as any possible extraordinary tax contribution calculated on earnings.

Deferred income tax is calculated using the liability method on all temporary differences between the tax base and the book value of assets and liabilities on the date of the financial statements. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all the exempt temporary differences and the transferable tax losses, to the extent that it is likely that there will be available taxable earnings, which will be set against the exempt temporary differences and the transferable unused tax losses.

The deferred tax assets are estimated on each date of the financial statements and are reduced to the degree that it is not considered likely that there will be adequate taxable earnings against which part or the total of receivables from deferred income taxes may be used.

Deferred tax assets and liabilities are calculated according to the tax rates that are expected to be in effect during the financial year when the asset will be realized or the liability will be settled, and are based on the tax rates (and tax regulations) that are effective or enacted on the date of the financial statements.

Income tax that relates to items, which have been directly recognized in other comprehensive income, is also recognized in other comprehensive income.

l) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is possible that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The provisions are reviewed on each date of the financial statements and are adjusted in order to reflect the present value of expenses that are expected to be required for the settlement of the liability. If the effect of the time value of money is significant, then provisions are calculated by discounting the expected future cash flows with a pre-tax rate, which reflects the market's

current estimations for the time value of money, and wherever considered necessary, the risks related specifically to the obligation. Contingent liabilities are not recognized in the financial statements but are being disclosed unless the possibility of an outflow of resources that include economic benefits is small.
Contingent assets are not recognized in the financial statements but are disclosed when an inflow of financial benefits is possible.

m) Revenue Recognition
Revenue is recognized to the extent that it is probable that economic benefits will result for the Company and that the relevant amounts can be accurately measured. The following specific recognition criteria must also be met for the recognition of revenue.

(i) *Revenue from the sale of Electric Energy*
Revenue from the sale of Electric Energy is accounted for in the year in which it occurs. Revenue from sales of electric energy to the TRANSMISSION SYSTEM OPERATOR (ADMIE) and the (ELECTRICITY) MARKET OPERATOR (ENEX) that have not yet been invoiced is recognized as accrued non-invoiced income in the financial statements.

(ii) *Interest*
Interest income is recognized on an accrual basis.

II) Use of estimates, judgements and assumptions

The Company proceeds to estimates, assumptions and judgments in order to select the most suitable accounting principles in relation to the future progress of events and transactions. The said estimates, assumptions and judgments are periodically reviewed so as to be in line with actual circumstances and reflect the actual risks at the time and are based on past experience of Management in relation to the level/volume of relevant transactions or events.
The basic estimates and judgments related to data whose development could affect the items of financial statements over the next 12 months are as follows:

i) Fixed assets depreciation: In order to calculate depreciation, the Company reviews the useful life and residual value of tangible and intangible assets having as criterion the technological, institutional and economic developments as well as its experience from their operation.

ii) Assets impairment and reversal: The Company evaluates the technological, institutional and economic developments by looking for indications of any type of impairment of its assets (fixed assets, trade and other receivables, financial assets, etc.) and of their reversal.

iii) Provision for staff retirement indemnities: Based on *IAS 19*, the Company assesses the assumptions according to which the provision for staff retirement indemnities is calculated in an actuarial manner.

iv) Provision for income tax: Based on *IAS 12*, the Company makes a provision for current and deferred income tax. It also provides, as the case may be, for the additional taxes that may arise from tax audits. The final settlement of income taxes may differ from the relevant amounts that have been registered in the interim and annual financial statements.

v) Provisions and Contingent Liabilities and Requirements: Provisions are recognized when the Company has a present legal or presumptive obligation as a result of past events, its liquidation is probable through resource outflow and a reliable estimate of the obligation can be made. Provisions are being reviewed at each date of the financial statements and shall be adjusted so as to reflect the present value of expected output needed for the settlement of the obligation. If the effect of the time value of money is significant, provisions are being calculated by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation. Contingent liabilities are not recognized in the financial statements but are being disclosed unless the possibility of an outflow of resources that include economic benefits is small.

The Company in the context of its activities is part of judicial claims and commercial disputes and differences. The management of the Company carries out provisions for risks and unforeseen events that may arise from legal cases and litigation/disputes that may lead to financial outputs for solving them. These provisions are registered, based on management's best estimate of the amounts that are expected to arise and the odds related to the final outcome of the case. The final outcome of such cases and any related amounts are likely to deviate from the amounts recorded in the financial statements.

4. INTANGIBLE ASSETS

Intangible assets in the attached Financial Statements relate to software and their movement has as follows:

(All amounts are presented in thousand Euros)	**SOFTWARE**	
	2020	**2019**
Net book value as at 1.1	**3**	**11**
Additions	0	0
Transfer (from)/to intangible fixed assets-cost	96	0
(Depreciation)	(7)	(8)
Net book value as at 31.12	**92**	**3**
Cost 1.1	307	307
Accumulated depreciation	(304)	(296)
Net book value as at 1.1	**3**	**11**
Cost 31.12	403	307
Accumulated depreciation 31.12	(311)	(304)
Net book value as at 31.12	**92**	**3**

The depreciation of the presented period has been recognized in the account Cost of Goods Sold by 7 thousand € (€ 8 thousand for 2019), of the Statement of Comprehensive Income.

5. RIGHT-OF USE ASSETS

Right-of use assets were recognized as a consequence of first-time implementation of IFRS 16 (refer to note 2 – Basis For The Presentation Of The Financial Statements). The analysis of their movement is presented as follows :

	Land	**Buildings**	**Transportation means**	**Total**
Net Book Value as of January 1 2020	**955**	**161**	**49**	**1.165**
Additions	0	0	0	0
Depreciation for the period	(25)	(80)	(18)	(123)

(All amounts are presented in thousand Euro, unless otherwise stated)

December 31 2020	**930**	**81**	**31**	**1.042**

Cost as of January 1	980	242	59	1.281
Accumulated Depreciation	(25)	(81)	(10)	(116)
Net Book Value as of January 1	**955**	**161**	**49**	**1.165**

Cost as of December 31	980	242	59	1.281
Accumulated Depreciation as of 31.12	(50)	(161)	(28)	(239)
Net Book Value as of December 31 2020	**930**	**81**	**31**	**1.042**

	Land	Buildings	Transportation means	Total
Cost as of January 1 2019	**0**	**0**	**0**	**0**
Additions from initial recognition as a result of the adoption of new standards	980	242	29	**1.251**
Additions	0	0	30	**30**
December 31 2019	**980**	**242**	**59**	**1.281**
Accumulated depreciation as of January 1 2019	0	0	0	**0**
Depreciation for the period	(25)	(81)	(10)	**(116)**
December 31 2019	**(25)**	**(81)**	**(10)**	**(116)**
Net Book Value as of December 31 2019	**955**	**161**	**49**	**1.165**

Depreciation for the period of 2020 amounts to € 123 thousand and is reflected in the Statement of Comprehensive Income, in the account Cost of Goods sold by € 18 thousand and in the account Administrative and Selling by € 105 thousand.

6. TANGIBLE FIXED ASSETS

The movement of the Tangible fixed assets presented in the attached Financial Statements has as follows:

	Buildings	Machinery	Other	Fixed assets under construction	Total
Net book value 1.1.2020	**11.127**	**116.536**	**63**	**0**	**127.726**
Additions	0	0	0	3.826	**3.826**

(All amounts are presented in thousand Euro, unless otherwise stated)

Transfer (from)/to tangible fixed assets-cost	0	0	0	(422)	**(422)**
Transfer (from)/to intangible fixed assets-cost	0	0	0	(96)	**(96)**
Transfer from assets under construction	12	243	169	0	**424**
Impairment loss of assets	0	0	0	0	**0**
Transfer from / (to) inventories Cost of sold/written off fixed assets	0	0	0	0	**0**
Accumulated depreciation of sold/written off fixed assets	0	0	0	0	**0**
Depreciation	(760)	(8.739)	(65)	0	**(9.564)**
Net book value 31.12.2020	**10.379**	**108.040**	**167**	**3.308**	**121.894**
Cost 01.01.2020	18.211	262.790	449	0	**281.450**
Accumulated impairment	0	(107.751)	(386)	0	**(108.137)**
Accumulated depreciation	(7.084)	(38.503)	0	0	**(45.587)**
Net book value 1.1.2020	**11.127**	**116.536**	**63**	**0**	**127.726**
Cost 31.12.2020	18.223	263.033	618	3.308	**285.182**
Accumulated depreciation	(7.844)	(116.490)	(451)	0	**(124.785)**
Accumulated impairment	0	(38.503)	0	0	**(38.503)**
Net book value 31.12.2020	**10.379**	**108.040**	**167**	**3.308**	**121.894**

	Buildings	**Machinery**	**Other**	**Fixed assets under construction**	**Total**
Net book value 1.1.2019	**11.883**	**146.530**	**69**	**0**	**158.482**
Additions	0	0	0	72	**72**
Transfer (from)/to tangible fixed assets-cost	0	0	0	(72)	**(72)**
Transfer (from)/to intangible fixed assets-cost	0	0	0	0	**0**
Transfer from assets under construction	4	21	46	0	**71**
Impairment loss of assets	0	(20.000)	0	0	**(20.000)**
Transfer from / (to) inventories	0	0	0	0	**0**
Accumulated depreciation of sold/written off fixed assets	0	0	0	0	**0**
Depreciation	(760)	(10.015)	(52)	0	**(10.827)**
Net book value 31.12.2019	**11.127**	**116.536**	**63**	**0**	**127.726**
Cost 01.01.2019	18.207	262.768	403	0	**281.378**
Accumulated impairment losses	0	(18.503)	0	0	**(18.503)**
Accumulated depreciation	(6.324)	(97.735)	(334)	0	**(104.393)**
Net book value 1.1.2019	**11.883**	**146.530**	**69**	**0**	**158.482**
Cost 31.12.2019	18.211	262.790	449	0	**281.450**
Accumulated depreciation	(7.084)	(107.751)	(386)	0	**(115.221)**
Accumulated impairment losses	0	(38.503)	0	0	**(38.503)**
Net book value 31.12.2019	**11.127**	**116.536**	**63**	**0**	**127.726**

The depreciation of the present period has been recognized in the account Cost of Goods Sold by € 9.563 thousand (€10.818 thousand in 2019) and in the account Administrative and Selling Expenses by € 1 thousand (€ 9 thousand in 2019), in the Statement of Comprehensive Income.

Impairment Testing

The Company, in the context of impairment testing, constitutes a particular and single Cash Generating Unit (CGU). The identification of the recovery value was based on value of use. Value of use was calculated using the method of discounted cash flows, i.e cash flow forecasts based on budgets and forecasts of Management in accordance with the 5-year plan, using a Weighted Average Cost of Capital (WACC) of 8,1%. The calculation for 2020 didn't indicate an impairment value that should have been recognized at the Statement of Profit and Loss.

7. OTHER INVESTMENTS

Other investments presented in the attached financial statements relate to the participation in the non-profit association under the name "Hellenic Association of Independent Power Producers" which aims at the joint promotion of all the issues related to the production and sale of electricity by independent producers. This association was incorporated in March 2010 and the Company participates in its capital by 16,67%.

8. OTHER LONG-TERM RECEIVABLES

Other long-term receivables presented in the attached financial Statements are broken down as follows:

(All amounts are presented in thousand Euros)	31.12.2020	31.12.2019
Guarantees provided	17	18
Pre-paid leases	115	126
Total	**132**	**144**

Pre-paid leases concern a plot owned by third party (a non-related party) where boring will take place for water pumping so as to use it in the production process. The leasing is long-term for 25 years and there are still 12 years until it expires.

9. INVENTORIES

The account "Inventories" in the attached financial statements concerns solely fixed assets' spare parts and consumables.

10. TRADE RECEIVABLES

"Trade receivables", presented in the attached financial statements are broken down as follows:

(All amounts are presented in thousand Euros)	31.12.2020	31.12.2019
Public entities (Administrators)	2.236	20.741

(All amounts are presented in thousand Euro, unless otherwise stated)

Customers - Individuals	411	2.921
Un-invoiced receivables – Public entities (Administrators)	1.645	1.217
Un-invoiced receivables – Individuals	5.900	3.873
Doubtful – litigious customers	7.462	7.462
Provisions (impairment) for doubtful Customers	(5.655)	(6.670)
	11.999	**29.544**

The above trade receivables include mainly receivables from TRANSMISSION SYSTEM OPERATOR (ADMIE). The main part of these invoices has to do with Ancillary Services, issued in the name of the TRANSMISSION SYSTEM OPERATOR for the amount of € 7.462 milion euros including VAT, claimed judicially by a Lawsuit of the Company against ADMIE, before the Multimember First Instance Court of Athens, under Deposit Number 29533/822/25-2-2013, claiming the payment of the invoices for Ancillary Services of November and December 2011 and January, February and March 2012. The Company's lawsuit had been discussed on 19/11/2015 and the Court decided (under 700/11.03.2016) to postpone its verdict until Council of State's final decision on the (relative) Administrative procedure i.e. Petition of the Company under Deposit Number 822/20-02-2013 against RAE's decision on the Dispatching Formula for Ancillary Services; accepted by the Administrative Court of Appeal of Athens' decision under 1579/17.03.2014; appealed by RAE in front of the Council of State. The lawsuit was eventually, after several postponements, discussed on 02/04/2019 and the Council of State rejected RAE's appeal. Given that, the Company brought back her claim against ADMIE before the Multimember First Instance Court of Athens, with the discussion date set as the 20th of February, 2020. The Company's claim was discussed at February 20th, 2020 based on the above court date and the relevant Decision is expected within 2020.

The Company holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade and other receivables that are interest free are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts, whereas those with a significant financing component are initially recognized at their fair value.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL since apply the IFRS 9 simplified model to estimate the ECL of trade and other receivables, classifying them either at Stage 2 or at Stage 3 and measuring lifetime ECL.
To measure the ECL, the trade and other receivables have been grouped based on their credit risk characteristics and their ageing (days past due) at the reporting date. This measurement is based on specific credit risk metrics (i.e. Probability of Default-PD, Loss Given Default), which are calculated based on historical data, existing market conditions as well as forward looking estimates at the end of each reporting period.
Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributes to customers are reviewed on a permanent basis.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following tables depict the risk profile of trade receivables and other receivables based on the Company's provision matrix. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer base.

(All amounts are presented in thousand Euro, unless otherwise stated)

31 December 2020	**Not Past Due**	**0-180 days**	**181-365 days**	**365 and over days**	**Total**
Expected credit loss rate	0,29%	1,69%	1,39%	71,53%	**32,03%**
Estimated total gross carrying amount at default	7.545	1.422	862	7.825	**17.654**
Lifetime ECL	(22)	(24)	(12)	(5.597)	**(5.655)**
Totals	**7.523**	**1.398**	**850**	**2.228**	**11.999**

31 December 2019	**Not Past Due**	**0-180 days**	**181-365 days**	**365 and over days**	**Total**
Expected credit loss rate	8,96%	1,82%	1,72%	66,96%	**18,42%**
Estimated total gross carrying amount at default	5.089	12.121	10.320	8.682	**36.212**
Lifetime ECL	(456)	(221)	(178)	(5.815)	**(6.670)**
Totals	**4.633**	**11.900**	**10.142**	**2.869**	**29.544**

Since 1/1/2018, the Company applies the IFRS 9 simplified model to estimate the ECL of trade and other receivables, classifying them either at Stage 2 or at Stage 3 and measuring lifetime ECL.

(All amounts are presented in thousand Euro)

	31.12.2020	
	Stage 2	**Stage 3**
Expected credit loss rate	0,57%	75,00%
Estimated total gross carrying amount at default	10.191	7.463
Lifetime ECL	58	5.597

	31.12.2019	
	Stage 2	**Stage 3**
Expected credit loss rate	3,55%	75,18%
Estimated total gross carrying amount at default	28.699	7.514
Lifetime ECL	1.020	5.649

In the amount Estimated total gross carrying amount at default is included the amount € 5.900 thousand regarding provision for part of the revenue from Insurance Claims for the non-function of the factory from August 2020 to March 2021, in which period maintenance took place. Said amount recognized (note 22) in profit or loss for the reporting period and was collected entirely until April 2021.

The movement of the impairment of trade receivables for the period is analysed as follows:

(All amounts are presented in thousand Euro)

	2020	2019
Impairment of trade receivables balance 01.01	**6.670**	**6.010**
Readjustment from IFRS 9 adoption	0	0
Readjusted balance	6.670	6.010
Gain/(Loss) from Trade Receivables Impairment for the year 2020	(1.015)	660
Total Impairment 31.12.2020	**5.655**	**6.670**

11. OTHER RECEIVABLES

"Other receivables" presented in the attached financial statements are broken down as follows:

(All amounts are presented in thousand Euros)	31.12.2020	31.12.2019
Prepayments to Suppliers	7.419	2.173
Other Receivables	896	1.075
VAT to be set-off	2.894	1.506
	11.209	**4.754**

In the amount of 896 k€, an amount of 838 k€ is included referring to prepaid expenses.

12. CASH AND CASH EQUIVALENTS

The cash and cash equivalents as at 31st of December 2020 in the attached financial statements concern bank deposits. The level of cash on 31st December 2020 is € 8.466 thousand (€12.348 thousand in 2019).

13. LOANS

The two-line items include the Subordinated Shareholders' Bond Loan for an amount of 67,36 M€ as well as the Short-Term Loan from Optima Bank S.A for an amount of 14M €.
The long-Term liabilities payable in the following year includes an amount of 1,18 M€ as accrued interest relating to both Senior Debt and Subordinated Shareholders' Bond Loan.
The break-down between current and long term is reported below:

(All amounts are presented in thousand Euros)	31.12.2020	31.12.2019
Up to 1 year	15.180	13.407
1 -5 years	66.180	67.574
Over 5 years	0	0
	81.360	80.981

The long-term loan which the Company had obtained the year 2010 was fully repaid at September 30,2020.

The following table describes the movement of long-term loans within the period:

(All amounts are presented in thousand Euros)	2020	2019
Balance 1.1	**80.981**	**87.607**
Capital additions/(repayments)	(19.956)	(12.296)
Interest payments	(790)	(1.068)
Loan interest into financial results	6.867	6.592
Loan expenses	258	147
Balance 31.12	**67.360**	**80.981**

The Short-Term loan derived from Credit obtained by Optima Bank S.A through an open overdraft account. The interest rate of the short-term loan is 3-month Euribor plus margin (3,50%) plus Burden Factor (0,60%).

The following table describes the movement of the short-term loans within the period:

	2020	2019
Balance 1.1	**0**	**0**
New loans and renewals	14.000	
Capital additions/(repayments)	0	0
Interest payments	(147)	0
Loan interest into financial results	147	0
Loan expenses	0	0
Balance 31.12	**14.000**	**0**

14. LIABILITIES FROM LEASES

The following table describes the movement of leases within the period:

(All amounts are presented in thousand Euros)

	2020	2019
Balance 1.1	**1.185**	**0**
Liabilities from new lease agreements	0	29
Additions from initial recognition as a result of new accounting standards adoption	0	1.251
Interest into financial results	51	55
Capital payments	(108)	(96)
Interest payments	(51)	(55)
Balance 31.12	**1.077**	**1.185**

The repayment period of the finance lease liabilities is analysed on the following table :

	31.12.2020	31.12.2019
Up to 1 year	113	159
2-5 years	61	110
Over 5 years	903	916

15. PROVISIONS FOR STAFF RETIREMENT INDEMNITIES

According to the Greek labour law, each employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of indemnity depends on the past service time and the salary of the employee on the day of his dismissal or retirement. Employees that resign or are justifiably discharged are not entitled to any indemnity. The indemnity payable in case of retirement in Greece is equal to 40% of the amount which would be payable upon dismissal without cause.

The estimates for staff retirement indemnities were determined through an actuarial study where the Projected Unit Credit Method was used. The tables below present the composition of the expenditure for the relevant provision recognised in the statement of comprehensive income of the year ended on 31 December 2020 and the movement of the relevant provisions account for staff retirement indemnities presented in the attached Statement of Financial Position of the year ended on 31 December 2020.

The expense for staff retirement indemnities recognized in the year's net profits in the “Cost of Goods Sold” is broken down as follows:

(All amounts are presented in thousand Euros)	2020	2019
Current service cost	44	32
Finance cost	3	3
	47	**35**

The changes in the relevant provision in the Statement of Financial Position are as follows:

(All amounts are presented in thousand Euros)	31.12.2020	31.12.2019
Opening balance	**279**	**232**
Provision recognized in year's results	47	36
Actuarial result write off on other total expenses	(24)	11
Closing Balance	**302**	**279**

The main actuarial assumptions for the years 2020 and 2019 are as follows:

	2020	2019
Discount rate[1]	0,60%	1.0%
Mortality: Greek Table of Mortality	EVK 2000	MT_EAE2012P
Inflation	1.50%	1.50%
Future wage increases	1.25%	1.25%
Salaried employees' turnover (voluntary retirement)	1%	1%

The table below shows the sensitivity of the staff compensation provision to the overall results in cases of change in certain actuarial assumptions:

	2020	2019
Discount rate change +0,5%	(33)	(15)
Discount rate change -0,5%	38	16
Salary Change + 0,5%	37	8
Salary Change - 0,5%	(33)	(8)

16. PROVISIONS FOR DISMANTLEMENT

The Company has set up a provision for the dismantling expenses of the electricity power plant that are expected to occur after the termination of operations, based on its contractual obligations, the present value of which at 31-12-2020 amounted to € 1.459. This provision was calculated based on the expected cash flows necessary for fulfilling this obligation at year end. This amount was then inflated based on the average estimated expected inflation and was discounted according to the required discount rate. The provision is increased compared to the previous year due to maturity by one year and there was no change in the amount of future flow.

[1] Due to current non-regular economic conditions, for the calculation of the discount rate, European Central Bank bonds are used in the yield curve instead of Greek government bonds.

17. SUPPLIERS

On 31 December 2020, the account "Suppliers" presented in the attached financial statements is broken down as follows:

(All amounts are presented in thousand Euros)	31.12.2020	31.12.2019
Production suppliers	5.236	19.493
Provision for retroactive gas cost	0	0
	5.236	**19.493**

18. ACCRUED, OTHER LIABILITIES AND PROVISIONS

On 31st December 2020, the account "Accrued and other liabilities" presented in the attached financial statements are broken down as follows:

(All amounts are presented in thousand Euros)	31.12.2020	31.12.2019
Accrued expenses – cost of production	218	12.470
Accrued expenses – third party fees	63	532
Taxes- duties	233	60
Accrued expenses relating to bank expenses and guarantee fees	71	288
Social security funds	92	91
Other	311	202
Other short-term liabilities	1.055	0
	2.043	**13.643**

The amount of € 218 thousand "Accrued expenses – cost of production" mainly concerns the cost of natural gas related to December 2020 (€ 216 thousand while 12.441 thousand for 2019). The amount of € 1.055 thousand "Other short-term liabilities " concerns a credit invoice that will be issued towards ADMIE for the amount of ADI that should be returned to ADMIE given the fact that the power plant did not operate for the specific period (€ 0 thousand for 2019).

19. SHARE CAPITAL

On 31st December 2020, the Company's share capital amounted to € 6.440.000.00 (six million four hundred and forty thousand euros) divided into 64,400 ordinary shares with a nominal value of € 100,00 each.

The share capital is held by 25% by TERNA S.A., a Company of the Group of the Athens Stock Exchange listed GEK TERNA (16.100 shares), by 25% by QATAR PETROLEUM INTERNATIONAL GAS & POWER OPC, a Company of QATAR PETROLEUM Group (16.100 shares) and the other 50% by ENGIE INTERNATIONAL HOLDING B.V., a Company of the Group, at the Paris Stock Exchange listed, ENGIE (32.200 shares).

20. RESERVES

The reserves of the Company at the end of the presented period are analysed to a statutory reserve of amount € 1.439 thousand (€ 1.439 thousand at 2019) and a reserve from actuarial losses of amount minus € 62 thousand (minus € 80 thousand at 2018).
The formation of statutory reserves is determined by the Law 4548/2018 and is obligatory to the level of a third of paid-up share capital and its purpose is to offset future losses.
The formation of such reserves is recognized by a resolution of the annual general assembly based on after-tax annual profits at a rate of 5%.

21. INCOME TAX

According to Greek tax legislation the tax rate corresponded to 24% for the year 2020 and 24% for the year 2019.

The effective tax rate differs from the nominal rate. Various factors affect the determination of the effective tax rate, the most important of these are some expenses that are not tax deductible, the differences in depreciation rates that arise between the useful life of fixed assets and the rates specified by the tax law, the option of companies to set up tax-free discounts and tax-free reserves.

(a) Current tax

Income tax in the year results in the statement of comprehensive income is broken down as follows:

(All amounts are presented in thousand Euros)	**2020**	**2019**
Deferred tax	3.379	3.794
Total	**3.379**	**3.794**

Below is the reconciliation of the actual income tax and the accounting profit multiplied by the applicable tax rate.

(All amounts are presented in thousand Euros)	**2020**	**2019**
Earnings/(loss) before taxes	**4.820**	**(28.403)**
Nominal tax rate	**24%**	**24%**
Income tax based on applicable nominal tax rate	**1.157**	**(6.817)**
Adjustments for:		
Permanent tax differences	2.222	9.954
Effect from the change in tax rates	0	(1.420)
Deferred Tax Asset Write-off	0	2.077
Actual tax expenditure	**3.379**	**3.794**

Tax returns are filed annually. The Company has been audited by tax authorities until the year 2008. Due to POL 1154/2017, POL 1191/2017, POL 1192/2017, POL 1194/2017 και POL. 1208/2017 of the Governor's of the Independent Public Revenue Authority, provided guidance on the uniform application of what was accepted from the decisions of the Council of the State (CoS) 1738/2017, CoS 2932/2017, CoS 2934/2017 και CoS 2935/2017, as well as the no. 268/2017 Opinion of the State Legal Council. From the aforementioned decisions a five-year limitation period - on the basis of the general rule – is occurred, for the fiscal years of 2012 onwards, as well as for the fiscal years that the Code of Tax Procedure – CTP (from 2014 onwards), except for the specific exceptions specified in the relevant provisions of CTP.
Consequently, and in accordance with the foregoing in POL. 1192/2017, the right of the State to charge a tax up to and including the fiscal year 2011 is time-barred unless the specific provisions on 10-year, 15-year and 20-year limitation periods apply.

Tax compliance report

For the fiscal years 2011-2012-2013, the Company is subject to the tax audit by Certified Auditors Accountants as defined by the provisions of article 82 par. 5 of L. 2238/1994 (Min. Dec. 1159/26/7/2011), whereas for the years 2014, 2015, 2016, 2017, 2018 and 2019 it is subject to the tax audit by Certified Auditors Accountants as defined by the provisions of article 65A, par. 1, Law 4174/2014 (Min. Dec. 1124/22/6/2015). The finalization of the tax audit from the Ministry of Finance is pending for all the above fiscal years.
For the fiscal year 2020, the Company is subject to the tax audit by Certified Auditors Accountants as defined by the provisions of article 65A, par. 1, Law 4174/2013 (Min. Dec. 1124/22/6/2015). This audit is underway, and the relevant tax certificate is expected to be issued following the publication of the Financial Statements for the year 2020.
The tax liabilities for these years have not become definitive and therefore additional contingencies may arise when the relevant tax audits are carried out.
The Management estimates that the taxes that may arise from the audit by the tax authorities will not have a material effect on the Financial Statements.

(b) Deferred tax

Deferred income tax is calculated using all temporary tax differences between the book value and the tax value of assets and liabilities. Deferred income tax is calculated by using the expected applicable tax rate at the time the tax asset/liability will mature.

(All amounts are presented in thousand Euros)	**31.12.2020**	**31.12.2019**
Net deferred tax asset/(liability)	**(24.220)**	**(20.836)**
Opening balance	**(20.836)**	**(17.042)**
(Expense)/Income recognized in net profits	(3.379)	(3.795)
(Expense)/Income recognized in other comprehensive income	(5)	1
Closing balance	**(24.220)**	**(20.836)**

The deferred tax of the years 2020 and 2019 is broken down as follows:

	Statement of financial position		**Net profit – (Debit)/Credit**	**OCI – (Debit)/Credit**
(All amounts are presented in thousand Euros)	**31.12.2020**	**31.12.2019**	**2020**	**2020**
Deferred tax asset				
Recognized tax losses	301	301	0	
Other provisions	3.548	3.466	82	
Staff compensation provision	72	67	11	(5)
Leases	8	5	3	
Deferred tax liability				
Depreciation differences	(20.683)	(17.464)	(3.220)	
Expensing of intangible assets	(7.466)	(7.211)	(255)	
Deferred tax expense			**(3.379)**	**(5)**
Net deferred tax - asset/(liability)	**(24.220)**	**(20.836)**		

	Statement of financial position		**Net profit – (Debit)/Credit**	**OCI – (Debit)/Credit**
(All amounts are presented in thousand Euros)	**31.12.2019**	**31.12.2018**	**2019**	**2019**
Deferred tax asset				
Recognized tax losses	301	2.497	(2.195)	
Other provisions	3.466	3.699	(233)	
Staff compensation provision	67	59	7	1
Leases	5	0	5	0
Deferred tax liability				
Depreciation differences	(17.464)	(15.405)	(2.059)	
Expensing of intangible assets	(7.211)	(7.892)	681	
Deferred tax expense			**(3.795)**	**1**
Net deferred tax - asset/(liability)	**(20.836)**	**(17.042)**		

22. REVENUE

(All amounts are presented in thousand Euros)	**2020**	**2019**
Revenue from electricity production & cost recovery	64.329	129.893
Revenue from Insurance Claims	5.900	-
Revenue from gas	17	10.167
Revenue from capacity	2.682	2.676
Revenue from CO2 rights sales	1.238	1.557
Other revenues	94	70
Total	**74.260**	**144.363**

The total revenue from electricity production derived from public entities (€ 64.329 thousand) while on 2019 this amount was € 129.893 thousand.
The total revenue from capacity (€ 2.682 thousand) derived from public entities (€2.676 thousand on 2019).
The total revenue from Insurance Claims (€ 5.900 thousand) derived from private entities (€ zero on 2019).
The amount of Total Revenue minus revenue from capacity regards transfers of goods which take place at a certain time.

23. COST OF GOODS SOLD & ADMINISTRATIVE AND SELLING EXPENSES

On 31 December 2020, the Cost of Goods Sold, administrative and selling expenses presented in the attached financial statements are broken down as follows:

Cost of Goods Sold	**2020**	**2019**

(All amounts are presented in thousand Euros)		
Natural gas consumption	30.109	103.454
Depreciation	9.570	10.826
Amortisation of rights	18	10
Losses on disposal of machinery-machine installations-other mechanical equipment	-	-
Personnel cost	1.946	1.793
Contractor services	21	78
Maintenance of General Electric	3.868	3.777
Cost of Emission Rights	11.594	17.603
Energy Services	385	3.341
Other services	390	291
Insurance charges	1.792	1.420
Maintenance	261	182
Leases	76	46
Utilities (electricity and water supplies, etc.)	107	162
Taxes - duties	204	307
Professional bodies' subscriptions	2	
Other expenses	88	88
	60.431	**143.378**

Administrative and selling expenses

(All amounts are presented in thousand Euros)	2020	2019
Personnel cost	175	141
Associates' fees (engineers)	-	-
Professional fees	977	829
Consultancy fees	51	168
Auditors' fees	28	27
Leases	51	2
Depreciation	1	9
Amortisation of rights	105	106
Insurance charges	23	32
Professional bodies' subscriptions	38	48
Taxes - duties	5	7
Other expenses	84	66
	1.538	**1.435**

24. AUDITORS' FEES

(All amounts are presented in thousand Euros)	2020	2019
Fees for statutory audits	15	15
Fees for tax compliance audits	13	13
Fees for extraordinary audits	-	-

	28	**28**

All the above fees have been recognized in administrative and selling expenses.

25. PERSONNEL COST

The expenses for personnel cost on 31 December 2020 are broken down as follows:

(All amounts are presented in thousand Euros)	2020	2019
Personnel salaries and benefits	1.673	1.516
Social security fund contributions	404	386
Provision for staff retirement indemnities	44	32
Total expenses	2.121	1.934

26. FINANCIAL INCOME/ (EXPENSE)

On 31st December 2020, the financial income/ (expense) presented in the attached financial statements is broken down as follows:

(All amounts are presented in thousand Euros)	2020	2019
Interest on bank accounts	28	63
Interest and charges for long-term financing	(533)	(768)
Interest on borrowing from related entities	(6.592)	(5.971)
Interest on short-term bank loans	(147)	0
Interest on leases	(51)	(55)
Bank guarantee fees and other financial expenses	(1.425)	(613)
Discounting expense relating to provision for dismantlement	(117)	(107)
Adjusted expenses relating to provision for staff leaving indemnities	(3)	(3)
	(8.840)	**(7.454)**

27. OTHER INCOME/ (EXPENSE)

On 31st December 2020 Other Income/ (Expenses) are analysed as follows:

(All amounts are presented in thousand Euro)	2020	2019
Other income:		
Provision of administration services to related Company	330	293
Other revenues	55	100
	385	393
Other expenses:		
Impairment loss in accordance with IFRS 9	1.015	(660)
Losses from the impairment of assets	0	(20.000)
Other taxes	(2)	(106)
Other expenses	(29)	(126)

(All amounts are presented in thousand Euro, unless otherwise stated)

	984	(20.892)
Total income / (expenses)	**1.369**	**(20.499)**

28.TRANSACTIONS WITH RELATED PARTIES

The Company's transactions and balances with related companies for the years 2020 and 2019 are broken down as follows:

2020

Affiliated Company	Sales	Purchases	Debit balances	Credit balances
Jointly controlling companies – HERON ENERGY S.A (other services)		54		-
Jointly controlling companies – ENERGY S.A (leases)		54		-
Jointly controlling companies – HERON ENERGY S.A (administration services)	330	584	410	-
Jointly controlling companies – HERON ENERGY S.A (default interest)		1.225		-
Jointly controlling companies – GEK TERNA Group (administration services)		45		56
Jointly controlling companies – GEK TERNA Group (other services)		7		9
Jointly controlling companies - GEK TERNA Group (borrowing)		1.699		17.116
Jointly controlling companies – HERON ENERGY S.A (electricity/gas trade and purchase of spare parts)		30.801		2.706
Jointly controlling companies – ENGIE Group (purchase of carbon emission rights & spare parts)		16		16
Jointly controlling companies – ENGIE Group (administration services)		419		47
Jointly controlling companies – ENGIE Group (borrowing)		3.323		32.409
Jointly controlling companies - ENGIE Group (maintenance services)		448		403
Jointly controlling companies – ENGIE Group (Hedging)	93	81	-	-
Jointly controlling companies - QPI Group (borrowing)		1.658		16.655
Totals	423	40.414	410	69.417

2019

Affiliated Company	Sales	Purchases	Debit balances	Credit balances
Jointly controlling companies – HERON THERMOELECTRIC (other services)		54		67
Jointly controlling companies – HERON THERMOELECTRIC (leases)		54		56
Jointly controlling companies – HERON THERMOELECTRIC (administration services)	293	480	698	595
Jointly controlling companies – GEK TERNA Group (administration services)		45		-
Jointly controlling companies – GEK TERNA Group (other services)		7		-

Jointly controlling companies - GEK TERNA Group (borrowing)		1.529		15.447
Jointly controlling companies – HERON THERMOELECTRIC (electricity/gas trade and purchase of spare parts)	35	44.975	45	13.461
Jointly controlling companies – ENGIE Group (purchase of carbon emission rights & spare parts)	100		-	
Jointly controlling companies – ENGIE Group (administration services)		269		48
Jointly controlling companies – ENGIE Group (borrowing)		3.135		29.543
Jointly controlling companies - ENGIE Group (maintenance services)		91		31
Jointly controlling companies – ENGIE Group (Hedging)	69	191		
Jointly controlling companies - QPI Group (borrowing)		1.500		15.106
Totals	497	52.330	743	74.354

Remuneration paid to BoD members and top executives of the Company: The remuneration paid to BoD members and top executives of the Company and recognized on 31 December 2020 and 2019 are as follows:

All amounts are presented in thousand Euro)	2020	2019
Fees for services received	450	457

29.RISK MANAGEMENT POLICIES AND OBJECTIVES

The Company is exposed to multiple financial risks such as market risk, credit risk and liquidity risk. The Company's risk management plan aims to reduce the negative impact on financial results arising from the inability to predict the course of financial markets and the fluctuations in various cost and sales variables. The risk management policy is applied by the financial services department of the Company.

The procedure applied is the following:

- assessment of the risks related to the activities and operations of the Company,
- formulating the methodology and selecting the appropriate financial products to reduce the risks; and
- Execution / implementation, according to the procedure approved by the Management, of the risk management process.

The Company's financial instruments consist mainly of bank deposits, trade debtors and creditors, and lease liabilities.

Operational Risks

The main risks associated with the development of the Company's business activities could be or relate to material losses, business interruptions, human resources and losses arising from systems or external events. The Company, in order to protect itself against operational risks, has entered into agreements with primary insurance companies for Material Loss insurance, Cessation of Business Activity and Civil Liability Insurance.

Market Risks

Along its business activity in the Market, the Company produces and supplies with Electricity the market operator and administrator of the domestic energy system (Hellenic Energy Exchange).

The fluctuation of the prices of basic goods and other related items or accounts that affect the formation of the production cost of electricity is at times particularly large and follows directly both global trends, e.g. gas prices, carbon dioxide rights prices, as well as local-national conditions, such as changes in demand in times of crisis or economic recovery, and are greatly influenced by regulatory changes in markets' planning. At the same time, the formation of the selling prices of both energy and services for the market operator and the system administrator, respectively, is dictated by the conditions of market competition, mainly in the context of short-term energy and equilibrium markets. In the context of the futures market, the formation of energy selling prices can take the form of a variable sale price based on the purchase cost plus a bonus or a fixed price.

In the above context, the Company analyses its exposure to the ever changing prices of the electricity market in relation to the selling prices agreed with its customers and based on the conditions of competition in short-term energy and equilibrium markets, and develops a dynamic risk hedging strategy through the various tools available (indicatively: futures contracts for the sale of energy and the purchase of natural gas at a fixed price for long periods of months or one year, financial dispute agreements for individual market prices / costs, direct participation in the carbon dioxide options market, etc.).

Immediately after the outbreak of the COVID-19 pandemic and the restrictive measures imposed, the Company focused on processes of continuous analysis and assessment of the main sources of risk that emerged or were expected to emerge, such as increased volatility (like initial drop and then subsequent increase) of all energy prices worldwide, the significant drop in demand and the assessment of the impact of the pandemic on GDP, especially in the peak summer period, the difficulty in forecasting and estimating demand due to restrictive measures and the cessation of the operation of many companies, etc. Based on this analysis, the Company made decisions to manage the relevant risk.

Regarding the outbreak of the COVID-19 epidemic at the beginning of 2020 and the unprecedented related restraint measures that followed, which resulted in the creation of a particularly negative economic and social environment, globally and locally, the Company's Management considers that the industry belongs to those business categories that are not significantly affected in the event of a slowdown in the global economy due to the spread of the disease.

The Management of the Company constantly monitors and carefully evaluates the situation and its possible effects on the business activities of the Company itself, taking initiatives that deal as much as possible with the impact of the effects of the pandemic.

Financial Products and Risk Management

The Company implements its own Risk Policy which represents and serves the guidelines regarding the approach and coverage of (i) market risk, (ii) volume risk and (iii) credit risk.

Non-derivative financial assets and liabilities of the Statement of financial position include cash and cash equivalents, trade receivables, other financial receivables, loans, leases, trade payables and other current liabilities. The Company does not use derivative financial instruments. Financial risk management aims to minimize the potential negative effects.

Specifically, the Company is exposed to the following financial risks:

(i) Interest rate risk

Interest rate risk is the probability that the fair value of a financial instrument's future cash flows will fluctuate due to changes in market interest rates.

Bank debt is denominated in Euros and is subject to floating interest rates. The Company has not entered into interest rate hedging contracts. Regarding the Subordinated Bond Loan of Shareholders, since it is based on fixed interest rate, there is no risk of interest rate change. The Company's Management monitors and evaluates the evolution of interest rate fluctuations and every time makes sure that it will take, if necessary, the appropriate measures to reduce the risks.

The table below presents the sensitivity of the results for the period to a reasonable change of interest rate of +/-200 basis points (bps) (2017: +/-200 bps) on all variable rate financial instruments, assets or liabilities, derived from Euribor or spread. Changes in interest rates are estimated to range within a reasonable basis, taking into account recent market conditions.

	2020		2019	
(All amounts are presented in thousand Euro)	+200 bps	+200 bps	+200 bps	+200 bps
Profit and loss	(10)	10	(5)	5

The Company is not exposed to other interest rate risks or risks of changes in securities value, the price of which is traded on a stock exchange.

(ii) Foreign exchange risk

Foreign exchange is the risk that arises when the fair value or future cash flows of a financial instrument are subject to fluctuations due to changes in exchange rates. This type of risk may arise from exchange differences in the valuation of financial assets, mainly receivables and financial liabilities, from transactions denominated in a currency other than the Company's operating currency, which is the Euro.

The Company is not exposed to foreign exchange risk as all its financial instruments (receivables and liabilities) are denominated in Euro.

(iii) Credit risk

Almost all trade and other receivables come from the broader public sector, which represents the main energy authorities in the country. Therefore, the relevant credit risk is considered negligible in relation to the main activity of the company (electricity generation) and the regulations of the gas and electricity market. The same applies to short-term financial assets (cash equivalents), as the counterparties are banks whose credit rating by well-known foreign rating agencies is considered satisfactory.

The Company's policy is to seek business activities with customers with satisfactory creditworthiness, including customers who minimize the risk if necessary.

The Company’s exposure to credit risk is limited to financial assets, which on the financial Statements are broken down as follows:

(All amounts are presented in thousand Euro)	31.12.2020	31.12.2019
Other long-term receivables (note 8)	17	18
Trade receivables (note 10)	11.999	29.544
Other receivables (note 11)	27	5
Cash and cash equivalents	8.466	12.348
Total	**20.509**	**41.915**

(iv) Market risk

The Company for its financial assets is not exposed to any market risk.

(v) Liquidity risk

The Company manages its liquidity needs by carefully monitoring the financial liabilities as well as the payments made daily. Liquidity needs are monitored in various time zones, on a daily and weekly basis as well as in a rolling period of 30 days. Liquidity needs for the next 6 months and the following year are determined monthly.

The Company manages its liquidity needs by carefully monitoring its debts linked to long-term financial liabilities and its everyday payments. Liquidity needs are monitored at different intervals, on a daily and weekly basis and a rolling period of 30 days. Liquidity needs for the next 6 months and the next year are determined on a monthly basis.
The Company keeps cash and cash equivalents to banks so as to meet liquidity needs for periods up to 30 days. Funds for medium-term liquidity needs are released from the Company's time deposits. The maturity of financial liabilities on 31 December 2020 for the Company is broken down as follows:

(All amounts are presented in thousand Euro)	**From 0 to 12 months**	**1st - 5th year**	**Over 5th year**
Long-term loans	1.180	66.180	0
Short-term loans	14.000	0	0
Leases	113	61	903
Suppliers	5.236	0	0
Accrued and Other short-term liabilities	663	0	0
Total	21.192	66.241	903

In the opening of 2019 the break down was the following:

(All amounts are presented in thousand Euro)	**From 0 to 12 months**	**1st - 5th year**	**Over 5th year**
Long-term loans	13.407	67.574	0
Leases	159	110	915
Suppliers	19.493	0	0
Accrued and Other short-term liabilities	13.492	0	0
Total	**46.551**	**67.684**	**915**

30. PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY

The financial assets and financial liabilities on the date of the Financial Statements may be categorized as follows:

Financial Assets	**31.12.2020**	**31.12.2019**

(All amounts are presented in thousand Euro, unless otherwise stated)

Non-current assets[2]		
Other long-term receivables	17	18
Other Investments-Fair Value through OCI	10	10
Total	**27**	**28**
Current Assets		
Trade receivables	11.999	29.544
Other receivables – short-term financial receivables	27	5
Cash and cash equivalents	8.466	12.348
Total	**20.492**	**41.897**

Financial Liabilities	**31.12.2020**	**31.12.2019**
Non-current liabilities[3]		
Financial liabilities at amortized cost – Long-term Loans	66.180	67.574
Financial liabilities at amortized cost – Leases	964	1.026
	67.144	**68.600**
Current Liabilities		
Financial liabilities at amortized cost - Borrowings	14.000	13.407
Financial liabilities at amortized cost – Long-term liabilities payable in the following year	1.180	
Financial liabilities at amortized cost – Leases	113	159
Financial liabilities at amortized cost - Suppliers	5.236	19.493
Financial liabilities at amortized cost- Liabilities from customers	0	0
Financial liabilities at amortized cost - Accrued and other liabilities	663	13.492
Total	**21.192**	**46.551**

31. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's goals as regards capital management are the following:

- to ensure the capacity of the Company to pursue its activity (going concern); and
- To ensure satisfactory yield for the shareholders, by invoicing products and services proportionately to the risk level.

The Company specifies the level of capital proportionately to the risk of activities, monitors developments in the economic environment and their effect on risk characteristics, manages capital structure (debt to equity ratio) by adjusting the level and duration of loans, issuing new shares or refunding capital to the shareholders, adjusting the dividend's amount and/or selling separate assets or groups of assets.
To this effect, the Company monitors capital based on leverage ratio which is defined as follows: Net debt/ Equity where Net debt shall mean the total Liabilities from loans and finance leases less cash, as presented in the Statement of Financial Position.

At the end of the fiscal years 2020 and 2019 the aforementioned ratio is as follows:

(All amounts are presented in thousand Euro)	31.12.2020	31.12.2019
Interest-bearing loans	81.360	80.981
Less:		
Cash	(8.466)	(12.348)
Net debt	**72.894**	**68.633**
Equity	**43.151**	**41.692**
Leverage ratio	**59,20%**	**60,75%**

32. EXISTING ENCUMBRANCES AND OTHER LIENS

There are no encumbrances or liens raised on the Company's assets.

33. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities and assets

I . Discussion of the Company's lawsuit against IPTO (Independent Power Transmission Operator) for the provision of ancillary services

In the context of the execution of its operations, the Company has made legal claims against third parties (lawsuit against IPTO claiming interest on arrears, lawsuit against IPTO for Auxiliary Services - Secondary Reserve, etc.). More specifically, the Company's claim is related to invoices, with regard to Auxiliary Services (Secondary Reserve), issued to IPTO for the amount of € 7,462 thousand including VAT, an amount claimed in a lawsuit filed by the Company against the IPTO under Application No. 29533/822/25.2.2013. By this legal action, the Company is claiming the payment of invoices for the ancillary services of November and December 2011 as well as January, February and March 2012. The Company's lawsuit was discussed on 19.11.2015 and the Court ruled (with the no. 700/11.03.2016) to postpone the issuance of a decision until the final decision of the Council of State on the (relevant) Administrative procedure, i.e. on the application number 822 / 20.02.2013 of the Company against the decision of RAE (Regulatory Authority for Energy) for Auxiliary Services, which was accepted by the decision with number 1579/17.03.2014 of the Administrative Court of Appeal of Athens and against which an appeal was filed by RAE before the Council of State. The Appeal was finally, after a series of postponements, discussed on April 2, 2019 and the Council of State with the no. 1053/4.6.2019 decision rejected RAE's Appeal. Given this, the Company reopened its Lawsuit against IPTO by summons before the Athens Multi-Member Court of First Instance, with a date of discussion of its Lawsuit, February 20, 2020. The Company's Law was discussed at the above court session as of February 20, 2020 and the Decision of the Athens Multi-Member Court of First Instance is expected in 2020.

The above mentioned Decision has been issued but until the date of approval of the Financial Statements had not yet been presented to the Company.

34. EVENTS AFTER THE BALANCE SHEET DATE

There are no significant events after the balance sheet date.

THE CHAIRMAN OF THE BOARD	MEMBER OF THE BOARD
GEORGE KOUVARIS	STYLIANI ZAHARIA

THE ACCOUNTANT

VALMAS NIKOLAOS