



**EPADYM S.A.**

**Board of Directors' Annual Report &  
Annual Financial Statements  
prepared in accordance with the International Financial Reporting Standards,  
for the fiscal year ended 31 December 2021**

EPADYM S.A.



INTEGRATED WASTE MANAGEMENT SYSTEM (IWMS) FOR THE REGION OF WESTERN MACEDONIA,  
PPC South Field  
Lignite Center of Western Macedonia, 50100 Kozani  
Tax ID No.: 800626510 TAX OFFICE: OF KOZANI  
General Electronic Commercial Registry No. 132800036000



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## MANAGEMENT REPORT BY THE “EPADYM SA” BOARD OF DIRECTORS ON THE CORPORATE FINANCIAL STATEMENTS FOR THE FISCAL YEAR FROM 1 JANUARY TO 31 DECEMBER 2021

This report by the Board of Directors pertains to the twelve-month period of fiscal year 2021 that ended (01/01-31/12/2021), and provides summary financial information about the corporate financial statements and results of the Company EPADYM SA. The Report outlines the most important events which took place during 2021, and the effect that such events had on the financial statements, the main risks and uncertainties the Company is faced with, while it also sets out qualitative information and estimates about future activities.

### 1. FINANCIAL RESULTS

The company's total sales retained the same levels for 2021 and amounted to 10.3 million euro compared to 8.00 million in 2020. The balance of the Receivable from the Financial Contribution by DIADYMA SA retained the same levels, resulting in the said balance standing at 37.5 million euro on 31/12/2021 (31/12/2020: 37.9 million euro).

The Company's results after taxes in 2021 accounted for a profit of 1.440 thousand compared to a profit of 499 thousand euro in 2020. The increase is the outcome of better operating results, which were underpinned by the increase in sales and the reduction in administrative costs.

On 31/12/2021 the Company's borrowing stood at 30.3 million euro (31/12/2020: 32.1 million euro). Finally cash and cash equivalents amounted to 757,9 thousand compared to 634.8 thousand on 31/12/2020.

#### Financial ratios

The Company has calculated financial ratios to add additional information to existing ones, as listed in the table below, with key financial performance and profitability ratios, financial structure and overall liquidity:

	2021	2020
<b>i. Performance and efficiency</b>		
<u>Net operating results</u>	7.15%	-1.64%
Sales		
<u>Net results before taxes</u>	24.05%	15.18%
Equity		
<u>Gross results</u>	8.67%	1.21%
Sales		
<b>ii. Capital structure</b>		
<u>Current assets</u>	29.04%	27.71%
Total assets		



<u>Equity</u>	14.85%	10.49%
Total liabilities		

### iii. General liquidity

<u>Current assets</u>	171.05%	188.99%
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## 2. OVERVIEW

The company is active in Greece in the field of waste management. On 10/06/2015, a Public Private Partnership (PPP) agreement was signed for a 27-year term between the Private Operator (PO) EPADYM SA and DIADYMA SA for the project "Design, Financing, Construction and Operation of Infrastructures for the Integrated Waste Management System (IWMS) in the Region of West Macedonia on the basis of a PPP". The project includes the construction of New Infrastructures and the operation of New and Existing Infrastructures, relating to all Municipal Solid Waste in the Region of West Macedonia, i.e. with a maximum capacity of 120.00 thousand tons per year.

The following entities have participated in financing the project: the European Investment Bank (EIB) with 12.72 million euro; the West Macedonia Urban Development Fund (Jessica) with 12.72 million euro; the National Bank of Greece, which finances the VAT paid for the construction of the Project, with 5.6 million euro; and the companies that participate in the share capital of EPADYM SA, i.e. AKTOR CONCESSIONS SA and HELECTOR SA, with own funds amounting to 16.96 million euro.

On 22/05/2019, the shares of AKTOR CONCESSIONS SA were acquired by ELECTOR SA.

The construction of the plant was completed in June 2017 (10/6/2017) and it is in operation since then. The construction of the project was realised in accordance with its approved time frame, which provided for the relevant services to be made available on 10/06/2017. One person was employed during the fiscal year.

On 24/03/2021 the Program Contract was signed between DIADYMA (Waste Management System of Western Macedonia) and the "Solid Waste Management Agency at the Management Unit of Corfu ("SY.DI.SA. of the Prefecture of Corfu) for the reception and processing in the WPU of Western Macedonia of 27,500 tons by the Municipalities of Corfu for 2021 and for each of the years 2022 and 2023, or as these will be determined by the relevant approval ministerial decisions. Respectively and for the implementation of the said Program Contract on 06/04/2021, a Contract for the Management of Non-Conventional Waste was signed between DIADYMA and EPADYM SA. 20,311.78 tons of waste from the Municipalities of Corfu were served at the WPU of Western Macedonia in 2021.

## 3. RISK MANAGEMENT

The Company is exposed to various financial risks, such as liquidity risk, credit risk and interest rate risk. Risk management is monitored by the finance division of the parent Company ELLAKTOR SA, and more specifically, by the Central Financial Management Division, and is determined by instructions, directions and rules approved by the Board of Directors.

Given the current crisis of the Greek State and the Greek financial sector, the liquidity risk is higher and the management of cash flows is urgent. To manage the liquidity risk, the Company budgets and regularly monitors its cash flows and ensures that cash on hand is available, including the options of intra-company loans and unused credit lines to meet its needs (e.g. financing, guarantee letters, etc.). The Company's liquidity is monitored by the Management at regular intervals.

The Company is exposed to risk from fluctuations of interest rates, mainly arising from bank loans. The Company is exposed to interest rate fluctuations seen on the market, which affect its financial position and cash flows. The cost of



debt may increase as a result of these changes thus creating losses, or it can decrease on the occurrence of unexpected events. It should be noted that the fluctuation in interest rates in recent years has been caused primarily by the increase in spreads due to the lack of liquidity in the Greek banking market and the estimated risk of Greek companies, and to a lesser extent by the change to the base interest rates (e.g. Euribor).

The Company's Management monitors rate fluctuations systematically and on an ongoing basis and evaluates the need to assume hedging positions, if and when such risks are considered to be significant.

#### **4. NON-FINANCIAL DATA**

To achieve its strategic goals, Company relies on its long-standing expertise and extensive know-how in its areas of operation, as well as on innovation, competent and skilled human resources and the trust it enjoys from its customers, associates and shareholders. In pursuing its business activities, the Company focuses on the following considerations:

- corporate governance;
- transparency, corporate responsibility and regulatory compliance;
- respect and protection of the environment;
- Financial Risk Management;
- Social Responsibility.

##### **Corporate Governance**

EPADYM SA implements the corporate governance principles, as these are set out in the relevant legislative framework.

These corporate governance principles have been incorporated in the Corporate Governance Code, which can be found on the Company's website at [www.ellaktor.com](http://www.ellaktor.com).

The Company has not adopted corporate governance practices in addition to the relevant legislation provisions for the year ended 2021.

##### **Regulatory compliance**

The Company has adopted an Ethics and Compliance Program designed to prevent, identify and address ethical and regulatory compliance issues. The Company is committed to carrying out its activities honourably, ethically, with integrity and in compliance with the applicable laws, regulations and standards, the corporate policies and guidelines, and the Company Code of Conduct. The Code of Conduct defines the main principles governing the Company's business practice and policies, and the conduct of its employees.

##### **Environmental considerations**

The Company seeks to protect and respect the natural and human environment, as well as to minimise the negative impact of its activities, while the principles of sustainable development are adopted. In this context, the Company seeks to take initiatives that would promote greater environmental responsibility and the development of environment-friendly technologies. The Company's Environmental Actions include reducing the amount of waste it produces,



reusing, managing waste, recycling, using more ecologically friendly materials, using RES, conserving natural resources, utilizing new environmentally friendly technologies, etc. Finally, the Certification Body TÜV HELLAS monitors and confirms the validity of the Company's headquarters' consumption in the Environmental Management System.

## **5. SUBSEQUENT EVENTS**

The recent energy crisis, the depth and breadth of which is evolving to be greater than initially estimated especially after the military operations in Ukraine, contributes to a further climate of uncertainty regarding the impact of the inflationary pressures which have already been exerted on consumption, investment and, consequently, economic development. The energy crisis, which was initially attributed to increased demand due to the recovery from the Covid-19 pandemic and to EU policy to mitigate the effects of the climate crisis, subsequently worsened due to geostrategic reasons and has become unpredictably significant due to recent military operations in Ukraine. With the data available so far, the impact of the energy crisis on the Group's RES sector do not seem to be significant until the end of the year. The Company is continually and carefully monitoring and evaluating events as they develop.

Kozani, 30 June 2022

For the Board of Directors

The Chairman & Managing Director

Ioannis Eleftherios Margiolos





## **INDEPENDENT CERTIFIED AUDITOR-ACCOUNTANT REPORT**

To the Shareholder of the company "EPADYM SA"

### **Audit report on the financial statements**

#### **Opinion**

We have audited the financial statements of EPADYM SA (the Company), which comprise the statement of financial position as of 31 December 2021, the profit and loss and comprehensive income statements, statement of changes in equity and cash flow statement for the year then ended, as well as the notes on the financial statements that include a summary of significant accounting policies.

In our opinion, the attached financial statements fairly present, in all material aspects, the financial position of the Company as at 31 December 2021, and its financial performance and cash flows for the year then ended, in line with the International Financial Reporting Standards (IFRS), as endorsed by the European Union and are consistent with the regulatory requirements of Law 4548/2018.

#### **Basis of opinion**

We have conducted our audit in accordance with the International Auditing Standards, as transposed into the Greek legislation. Our responsibilities, according to these standards, are further described in the section of our report "Auditor's responsibilities in auditing the financial statements". We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our audit opinion.

#### **Auditor's independence**

Throughout our appointment we remain independent of the Company in accordance with the Code of Conduct for Professional Auditors of the Board of International Standards of Auditors' Ethics incorporated into Greek law, and ethics requirements of Law 4449/2017, relating to the audit of financial statements in Greece. We have fulfilled our ethical obligations according to Law 4449/2017 and the requirements of the Code of Conduct for Professional Auditors of the Board of International Standards of Auditors' Ethics.

#### **Other information**

The members of the Board of Directors are responsible for Other information. Other Information is the Management Report of the Board of Directors (but does not include the financial statements and the audit report thereon) that we received before the date of this auditor's report.

Our opinion on the financial statements does not cover Other information and, apart from what is expressly stated in this paragraph of our Report, we do not express an audit opinion or other assurance on it.



With regard to our audit of the financial statements, it is our responsibility to read Other information and thus to consider whether Other information is materially inconsistent with the financial statements or the knowledge we acquired during our audit or otherwise appear to be fundamentally incorrect.

We have examined whether the Management Report of the Board of Directors includes the disclosures required by Codified Law 4548/2018.

Based on the work we performed during our audit, in our opinion:

- The information included in the Management Report of the Board of Directors for the year ended 31/12/2021 corresponds to the financial statements;
- The Annual Management Report of the Board of Directors has been drawn up in accordance with the current legal requirements of Article 150 of Law 4548/2018.

Moreover, on the basis of the information and understanding we obtained during our audit in relation to the Company EPADYM SA and the environment it operates in, we are obliged to report that we did not identify any material misstatements in the Directors' Report. We have nothing to report about this issue.

#### **Responsibilities of the Board of Directors and those responsible for governance on financial statements**

The Board of Directors is responsible for the preparation and fair presentation of the financial statements, in accordance with the International Financial Reporting Standards, as these have been adopted by the European Union, the requirements of Law 4548/2018, and for such audit safeguards that the Board of Directors finds necessary in order to make possible the preparation of the financial statements free of any material misstatements, due either to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue its activities, disclosing, where applicable, any issues related to the going concern and the use of the accounting basis of the going concern unless the Board of Directors either intends to liquidate the Company or to discontinue its activities or has no other realistic option than to take such actions.

Those responsible for governance have the responsibility to oversee the financial reporting process of the Company.

#### **Auditor's responsibility for the audit of the financial statements**

Our objectives are to obtain reasonable assurance whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report presenting our opinion.



The reasonable assurance is a high level of assurance, but it is not a guarantee that the audit carried out in accordance with the IAS, incorporated into the Greek Legislation, will always identify a material misstatement, when such a misstatement exists. Misstatements may result from fraud or error and are considered material when individually or collectively could reasonably be expected to affect the financial decisions of users made on the basis of these financial statements.

As an auditing duty, according to the IAS incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, by designing and performing audit procedures that respond to those risks and we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of failing to detect a material error due to fraud is higher than that due to error, as fraud can involve collusion, forgery, deliberate omissions, false assertions or bypassing the internal audit safeguards.
- We understand audit-related internal safeguards to design audit procedures appropriate to the circumstances, but not to express an opinion on the effectiveness of the Company's internal audit.
- We assess the appropriateness of the accounting policies and methods used and the reasonableness of accounting estimates and disclosures made by the Board of Directors.
- We decide on the appropriateness of the Board of Directors' use of the accounting principle on a going concern basis and based on the audit evidence that has been obtained as to whether there is material uncertainty about events or circumstances that may indicate material uncertainty as to the ability of the Company to continue its activity. If we conclude that there is material uncertainty, we are required to report such disclosures in the financial statements in the auditor's report or whether these disclosures are insufficient to differentiate our opinion. Our findings are based on audit evidence obtained until the date of the auditor's report. However, future events or conditions may result in the Company ceasing to operate as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements reflect the underlying transactions and events in a manner ensuring their reasonable presentation.

Among other issues, we report to those responsible for governance, the scope and timing of the audit, as well as important audit findings, including any significant deficiencies in the internal audit that we identify during our audit.

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

The work we performed on the Board of Directors' Management Report is mentioned in section "Other information" above.



Athens, 16 September 2022

The Certified Auditor -Accountant



PriceWaterhouseCoopers

Auditing Company SA

Certified Auditors - Accountants

SOEL Reg. No 113

Despina Marinou

SOEL Reg. No 17681

## Statement of Financial Position

	Note	31-Dec-21	31-Dec-20
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	17,000	17,000
Intangible assets		582	695
Financial Contribution from a Public Body (IFRIC 12)	6	27,314,236	27,860,734
Restricted cash deposits	8	3,093,487	3,361,359
		<b>30,425,305</b>	<b>31,239,788</b>
<b>Current assets</b>			
Short-term receivables	7	1,504,738	1,271,054
Financial Contribution from a Public Body (IFRIC 12)	6	10,188,454	10,068,973
Cash and cash equivalents	8	757,939	634,882
		<b>12,451,131</b>	<b>11,974,909</b>
<b>Total assets</b>		<b>42,876,436</b>	<b>43,214,697</b>
<b>EQUITY</b>			
<b>Equity attributable to shareholders</b>			
Share capital	10	4,251,000	4,251,000
Other reserves	11	64,656	0
Profit/(Loss) carried forward		1,228,471	(147,232)
<b>Total equity</b>		<b>5,544,127</b>	<b>4,103,768</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	14	28,312,039	30,926,699
Deferred tax liabilities	13	1,740,972	1,847,863
		<b>30,053,011</b>	<b>32,774,562</b>
<b>Current payables</b>			
Suppliers and other liabilities	12	5,217,000	5,088,060
Short-term borrowings	14	2,062,297	1,248,307
		<b>7,279,298</b>	<b>6,336,367</b>
<b>Total liabilities</b>		<b>37,332,309</b>	<b>39,110,929</b>
<b>Total equity and liabilities</b>		<b>42,876,436</b>	<b>43,214,697</b>

The notes on pages 17 to 44 form an integral part of these financial statements.



**EPADYM S.A.**

Annual Financial Statements in line with the International  
Financial Reporting Standards  
for the fiscal year ended 31 December 2021

*(All amounts are expressed in Euros, unless stated otherwise)*

## Income Statement and Total Income

	<b>Note</b>	<b>31-Dec-21</b>	<b>31-Dec-20</b>
<b>Sales</b>		<b>10,312,188</b>	<b>8,043,036</b>
Cost of sales	<b>15</b>	<b>(9,418,540)</b>	<b>(7,946,102)</b>
<b>Gross profit</b>		<b>893,648</b>	<b>96,934</b>
Administrative expenses	<b>15</b>	<b>(146,981)</b>	<b>(234,068)</b>
Other profit/(loss)		<b>(9,802)</b>	<b>5,241</b>
<b>Operating profit/(loss)</b>		<b>736,865</b>	<b>(131,893)</b>
Financial income	<b>16</b>	<b>2,913,506</b>	<b>3,007,421</b>
Financial expenses	<b>16</b>	<b>(2,316,903)</b>	<b>(2,252,506)</b>
<b>Net profit before taxes</b>		<b>1,333,468</b>	<b>623,022</b>
Income tax	<b>13.17</b>	<b>106,891</b>	<b>(123,546)</b>
<b>Net profit for the year</b>		<b>1,440,359</b>	<b>499,475</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>1,440,359</b>	<b>499,475</b>

The notes on pages 17 to 44 form an integral part of these financial statements.

**Statement of Changes in Equity**

	<b>Share capital</b>	<b>Other reserves</b>	<b>Results carried forward</b>	<b>Total</b>
<b>1-Jan-20</b>	<b>4,251,000</b>	-	<b>(646,709)</b>	<b>3,604,291</b>
Net profit for the year	-	-	499,475	<b>499,475</b>
<b>31-Dec-20</b>	<b>4,251,000</b>	-	<b>(147,232)</b>	<b>4,103,768</b>
<b>1-Jan-21</b>	<b>4,251,000</b>	-	<b>(147,232)</b>	<b>4,103,768</b>
Net profit for the year	-	-	1,440,359	<b>1,440,359</b>
Statutory reserves		64,656	(64,656)	-
<b>31-Dec-21</b>	<b>4,251,000</b>	<b>64,656</b>	<b>1,228,471</b>	<b>5,544,127</b>

The notes on pages 17 to 44 form an integral part of these financial statements.



## Cash flow statement

	Note	31-Dec-21	31-Dec-20
<b><u>Operating activities</u></b>			
Net profit for the period		1,440,359	499,475
Income tax	13.17	(106,891)	123,546
Depreciation and amortisation		113	113
Loss from the sale of tangible assets		-	(93)
Financial income	16	(2,913,506)	(3,007,421)
Financial expenses	16	2,316,903	2,252,506
Decrease/ (Increase) of receivables		(233,683)	339,961
(Decrease)/ Increase of liabilities		(2,110,346)	(1,445,465)
Increase / (Decrease) of Financial Contribution from a Public Body		3,340,523	3,735,285
Debit interest and related expenses paid		(54,072)	(649,111)
<i>Total inflows/(outflows) from operating activities (a)</i>		<b>1,679,400</b>	<b>1,848,797</b>
<b><u>Investing activities</u></b>			
Restricted cash -(increase)	9	900,076	(490,035)
<i>Total (outflows) from investments (b)</i>		<b>900,076</b>	<b>(490,035)</b>
<b><u>Financing activities</u></b>			
Repayment of loans from third parties		(1,824,215)	(1,711,914)
Restricted cash -decrease	9	(632,204)	558,267
<i>Total (outflows) from financing activities (c)</i>		<b>(2,456,419)</b>	<b>(1,153,648)</b>
Net increase/ (decrease) in cash and cash equivalents (a) + (b) + (c)		<b>123,057</b>	<b>205,115</b>
Cash and cash equivalents at year start	8	634,882	429,767
<b>Cash and cash equivalents at year end</b>	<b>8</b>	<b>757,939</b>	<b>634,882</b>

The notes on pages 17 to 44 form an integral part of these financial statements.



**Notes to the financial statements****1 General information**

EPADYM SA (hereinafter the “Company” or the “Private Operator” or “PO” or “Operator”) carries out its activities in Greece, in the energy sector, focusing on the design, financing, construction, maintenance and operation of the infrastructures of the Integrated Waste Management System (IWMS) in the Region of West Macedonia on the basis of a Public Private Partnership (hereinafter “PPP”). DIADYMA SA (hereinafter the “Public Body” or the “Grantor”) is the contracting authority for the project. The total investment amounts to 48,6 million euro and the total concession period is 27 years. The project is co-financed by the European Investment Bank with approximately 13 million euro, the West Macedonia Urban Development Fund (through Jessica) with approximately 13 million euro, the National Bank of Greece, which finances the VAT paid for the construction of the Project, with 5,6 million euro, and the participating company with own funds amounting to 17 million euro.

The Company was incorporated and established in Greece with registered and central offices in Kozani, IWMS OF THE REGION OF WESTERN MACEDONIA, PPC South Field, Lignite Center of Western Macedonia, 50100.

The Company’s financial statements are included, using the full consolidation method, in the consolidated financial statements of ELLAKTOR SA, which is listed on the Athens Stock Exchange. ELLAKTOR SA participates in the Company’s share capital with 100%.

These financial statements were approved by the Board of Directors on 30 June 2022 and are yet to be approved by the General Meeting. They are available on the company’s website at [www.epadym.gr](http://www.epadym.gr).

**2 Summary of significant accounting policies****2.1 Basis of preparation of the financial statements**

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

These company financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as they have been endorsed by the European Union. The financial statements were prepared in accordance with the historical cost rule and on the going concern principles of the Company’s activity.

The preparation of the financial statements under IFRS requires the use of accounting estimates and assumptions by the Management in implementing the accounting policies adopted. The areas involving extensive judgment or complexity, or where assumptions and estimates have a significant impact on the financial statements are mentioned in Note 4.

**2.2 Going concern**

The financial statements of 31 December 2021 are prepared in accordance with the International Financial Reporting Standards (IFRS), and provide a reasonable presentation of the Company’s financial position, profit and loss, and cash flows, in accordance with the principle of going concern.

**Impact of COVID-19**

Despite being characterised by the COVID-19 pandemic gradually being brought control and the lock-down measures imposed by individual governments being reduced, 2021 did not lead to a return to normality. Even today, two years after the outbreak of the pandemic, any estimates of how long it will last are subject to a high degree of uncertainty as the phenomenon is still ongoing, with several new mutations of the disease having emerged. If the pandemic continues for a long time, or if further restrictive measures are imposed to contain its spread (despite the progress in the vaccination programme local lockdowns may continue if deemed necessary due to possible outbreaks), this may have significant consequences for key sectors of the Greek economy.

The Company's primary concern is to protect the health of workers, to limit the spread of the virus and minimise the inevitable impact on the financial performance of the Company.

The extent and the magnitude of the impact, which at present cannot be predicted and/or quantified with the desired accuracy and certainty as the phenomenon is still continuing, will be determined primarily by the duration and extent of the pandemic and the measures taken by states to limit its spread, as well as the initiatives and support measures taken by governments to strengthen the economies which have been affected.

**2.3 Macroeconomic conditions in Greece**

The Eurozone economy grew by 5.2% in 2021, after a 6.4% recession in 2020. At the same time, inflation approached 5% towards the end of 2021, due to extremely high natural gas prices. Growth in 2022 is expected to slow to 4.1%.

During 2021, the Greek economy entered a path of strong economic recovery, after the deep recession of 9.0% in 2020. Actual GDP in 2021 saw an increase of 8.3% over the year. Strong annual growth, further increases in investments, and significantly increased in exports, have all made a positive contribution to the strong recovery seen in the year in question. According to the European Commission's Winter Economic Forecast (10 February 2022), real GDP is expected to recover at a rate of 4.9% in 2022. The improvement of the economic climate, good progress in industry, commercial trade and construction activity, and improvement in the labour market conditions, despite strong inflationary pressures, appear to be supporting the growth of the Greek economy. Inflation reached 1.2% in 2021. Consumer price inflation accelerated in the second half of 2021 after several months of decline, primarily reflecting rising energy and food costs. In the first two months of 2022, inflation stood at 6.7%. Rising inflation is expected to be sustained due to continuing supply chain disruptions and high energy prices continuing in 2022. The crisis in Ukraine creates additional risks and uncertainty, resulting in the potential for inflationary pressures to continue for longer than initially expected.

The outlook for the Greek economy is particularly positive, given that in the coming years it will benefit from the use of European financial resources, the implementation of reforms under the National Recovery and Resilience Plan, the revision of fiscal rules under the Stability and Growth Pact, favourable liquidity conditions, as well as the recovery of the European economy.

Risk factors that may affect the positive outlook for the Greek economy outlined above mainly relate to the continuation or further deterioration of the coronavirus pandemic, continued inflationary pressures, disruption of supply chain stability, as well as wider geopolitical developments. In particular, the Russia-Ukraine crisis creates additional risks and uncertainty, affecting, inter alia, energy prices as well as the prices of agricultural products, resulting in the possible continuation of inflationary pressures with higher intensity and a longer time horizon than initially foreseen. This may have consequences for both consumption and international trade.

The Management continually assesses the situation and its possible consequences on the Group, to ensure that all necessary and possible measures are taken in good time to minimise any negative impact, as well as to capitalise on positive developments.



## **2.4 New standards, amendments to standards and interpretations**

### **New standards, amendments to standards and interpretations:**

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1 January 2021. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

#### **Standards and Interpretations effective for the current financial year**

##### **IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'**

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

##### **IFRS 4 (Amendment) 'Extension of the Temporary Exemption from Applying IFRS 9'**

The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 'Insurance Contracts' from applying IFRS 9 'Financial Instruments', so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

##### **IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2'**

The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose.

#### **Standards and Interpretations effective for subsequent periods**

##### **IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions' (effective for annual periods beginning on or after 1 April 2021)**

The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022.

##### **IFRS 17 'Insurance contracts' and Amendments to IFRS 17 (effective for annual accounting periods beginning on or after 1 January 2023)**

IFRS 17 has been issued in May 2017 and, along with the Amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of the standard is to ensure that an entity provides relevant information that faithfully represents those contracts. This new standard tackles the comparability challenges arising from the application of IFRS 4, as it introduces consistent accounting for all insurance contracts. Insurance liabilities are measured using current rather than historical rates.



**IAS 16 (Amendment) ‘Property, Plant and Equipment – Proceeds before Intended Use’** (effective for annual periods beginning on or after 1 January 2022)

The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

**IAS 37 (Amendment) ‘Onerous Contracts – Cost of Fulfilling a Contract’** (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that ‘costs to fulfil a contract’ comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets that relate directly to the contract, rather than on assets dedicated to that contract.

**IFRS 3 (Amendment) ‘Reference to the Conceptual Framework’** (effective for annual periods beginning on or after 1 January 2022)

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

**IAS 1 (Amendment) ‘Classification of liabilities as current or non-current’** (effective for annual accounting periods beginning on or after 1 January 2023)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the ‘settlement’ of a liability. The amendment has not yet been endorsed by the EU.

**IAS 1 (Amendments) ‘Presentation of Financial Statements’ and IFRS Practice Statement 2 ‘Disclosure of Accounting policies’** (effective for annual accounting periods beginning on or after 1 January 2023)

The amendments require entities to disclose their accounting policies when they are material and to provide guidance on the meaning of ‘material’ when it is applied to accounting policy disclosures.

**IAS 8 (Amendments) ‘Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates’** (effective for annual accounting periods beginning on or after 1 January 2023)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

**IAS 12 (Amendments) ‘Deferred tax related to Assets and Liabilities arising from a Single Transaction’** (effective for annual accounting periods beginning on or after 1 January 2023)

The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions



such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

**IFRS 17 (Amendment) ‘Initial Application of IFRS 17 and IFRS 9 – Comparative Information’** (effective for annual accounting periods beginning on or after 1 January 2023)

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. The amendment has not yet been endorsed by the EU.

**Annual Improvements to IFRS Standards 2018–2020** (effective for annual periods beginning on or after 1 January 2022)

IFRS 9 “Financial Instruments”

The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 “Leases”

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

## **2.5 Foreign exchange conversions**

*(a) Functional and presentation currency*

The items in the company’s financial statements are measured in the currency of the primary economic environment in which the Company operates (“functional currency”). The financial statements are reported in Euros, which is the functional currency and the reporting currency of the Company.

*(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period exchange rates of monetary assets and liabilities denominated in foreign currencies, if any, are recognised in the income statement. Currency translation differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

## **2.6 Leases**

*Company as lessee*

On the basis of IFRS 16, the classification of leases as operating leases and financial leases is revoked for the lessee. The right-of-use asset is included in property, plant and equipment in the Statement of Financial Position



and the lease liability is included in long-term borrowings (including non-recourse borrowings) and short-term borrowings (including non-recourse borrowings).

At the commencement date of a lease period, the Company recognises right-of-use assets and lease liability by measuring the right-of-use asset at cost.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease period, less any lease incentives received, any initial direct costs incurred by the lessee, and an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Company undertakes those costs either at the commencement date of the lease period or as a consequence of the use of the leased asset during a specified period.

## **2.7 Property, Plant and Equipment**

Fixed assets are reported in the financial statements at acquisition cost minus accumulated depreciation and possible impairment. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent costs are posted to increase the tangible assets' carrying amount or recognised as a separate asset, only when it is probable that future economic benefits will flow to the Company and their cost can be measured reliably. The repair and maintenance cost is recorded in the results when it is realised.

Land is not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life.

The residual values and useful economic life of fixed assets are subject to reassessment at least at each balance sheet date.

Fixed assets under construction are included in property, plant and equipment, and their depreciation starts when complete and finished for their intended use.

When the book values of tangible assets exceed their recoverable value, the difference (impairment) is posted in the income statement as expense.

Upon the sale of fixed assets, any difference between the proceeds and the depreciable amount is recorded as profit or loss in the results.

Financial assets concerning the construction of assets are capitalised for the period needed until the completion of the construction. All other financial expenses are recognised in the income statement.

## **2.8 Intangible assets**

a) Software: Software licenses are valued at acquisition cost less depreciation. Depreciation is accounted for using the straight line method over the useful lives of the assets concerned.

b) Concession Right: The concession right is valued at the acquisition cost, less depreciation. Depreciation is carried out using the straight line method during the Concession contract.



## **2.9 Impairment of non-financial assets**

Assets with an indefinite useful life are not depreciated, and are subject to impairment testing on an annual basis, and when certain events or changes to the circumstances suggest that their carrying value may not be recoverable. Assets that are depreciated are subject to impairment audit when indications exist that their carrying value is not recoverable. Impairment loss is recognised for the amount by which the fixed asset's carrying value exceeds its recoverable value. The recoverable value is the higher between fair value, reduced by the cost required for the disposal, and the value in use (current value of cash flows anticipated to be generated, based on the management's estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified in the minimum cash generating units. Any non-financial assets, apart from goodwill, which have been impaired, are reassessed for possible impairment reversal on each balance sheet date.

## **2.10 Financial Instruments**

### ***Initial recognition and subsequent measurement of financial assets:***

The Company classifies its financial assets into the following categories:

- Financial assets that are subsequently measured at fair value (either in other comprehensive income or in profit or loss) and
- Financial assets measured at amortised cost.

The classification of financial assets at initial recognition is based on the contractual cash flows of the financial assets and the business model within which the financial asset is held.

With the exception of customer receivables, the Company initially assesses a financial asset at its fair value plus transaction costs, in the case of a financial asset that is not measured at fair value through profit or loss. The transaction costs of financial assets measured at fair value through profit or loss are expensed. Customer receivables are initially measured at transaction value as defined by IFRS 15.

In accordance with the provisions of IFRS 9, debt instruments are subsequently measured at amortised cost or at fair value through other comprehensive income or at fair value through profit or loss. In order to classify and measure a financial asset at amortised cost or at fair value through other comprehensive income, cash flows that are "solely payments of principal and interest" on the outstanding capital balance must be created. This evaluation is known as the SPPI ("solely payments of principal and interest") criterion and is made at the level of an individual financial instrument.

The new classification and measurement of the Company's debt instruments is as follows:

- I. Debt instruments on the amortised cost for debt instruments acquired under a business model the purpose of which is to retain them in order to collect the contractual cash flows, while at the same time meeting the SPPI criterion. Financial assets in this category are subsequently measured using the effective interest rate method (EIR) and are subject to impairment testing. Any profit or loss that arises when the asset ceases to be recognised, is modified or impaired is recognised immediately in the income statement.
- II. Equity instruments at fair value through the statement of comprehensive income, without transfer of profit or loss to the income statement when derecognised. This category includes only equity instruments which the Company intends to hold for the foreseeable future and has irrevocably decided to classify them in this manner upon initial recognition or transition to IFRS 9. Equity instruments at fair value through the statement of comprehensive income are not subject to impairment. Dividends from such investments continue to be recognised in the income statement, unless they represent recovery of the investment cost.





For investments that are traded on an active market, fair value is calculated based on market bid prices. For investments for which there is no active market, fair value is determined by valuation techniques, unless the range of rational estimates of fair value is significantly large and the probable accuracy of the various estimates cannot reasonably be assessed, when valuation of such investments at fair value is prohibited. The purchase or sale of financial assets that require the delivery of assets within a timeframe provided for by a regulation or market assumption is recognised at the settlement date (i.e. the date when the asset is transferred or delivered to the Company).

- III. Financial assets classified at fair value through profit or loss are initially recognised at fair value, with profits or losses arising from the valuation being recognised in the income statement. Profits and losses arising from changes in the fair value of financial assets classified at fair value through profit or loss are recognised in the income statement in the line “Other profits/(losses)”.

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

At each financial reporting date the Company assess whether the value of a financial asset or group of financial assets has been impaired as follows:

The Company recognizes a provision for impairment against expected credit losses for all financial assets that are not measured at fair value through profit or loss. Expected credit losses are based on the difference between all contractual cash flows payable under the contract and all cash flows that the Company expects to receive, discounted at the approximate initial effective interest rate.

Expected credit losses are recognised in two stages. If the credit risk of a financial instrument has not increased significantly since initial recognition, the financial entity quantifies the provision for a loss with respect to the financial instrument in question at an amount equivalent to expected credit losses accruing over the next 12 months.

If the credit risk of a financial instrument has increased significantly since initial recognition, the financial entity quantifies the provision for a loss with respect to the financial instrument in question at an amount equivalent to expected credit losses over its lifetime, regardless of when the default occurred.

For customer receivables and contractual assets, the Company apply the simplified approach for the calculation of expected credit losses. Therefore, at each reporting date, the Company measure the loss provision for a financial instrument at the amount of the expected credit losses over its lifetime without monitoring the changes in credit risk.

### ***Derecognition of financial assets***

A financial asset (or part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to the inflow of cash resources have expired;
- the Company retains the right to receive cash flows from that asset but has also undertaken to pay them to third parties in full without undue delay in the form of a transfer agreement; or
- the Company has transferred the right to receive cash flows from that asset while at the same time it either (a) has materially transferred all the risks and rewards accruing therefrom or (b) has not materially transferred all risks and rewards, but has transferred control of the specific asset.

When the Company transfers the rights to receive cash flows from an asset or concludes a transfer agreement, it reviews the extent to which it retains the risks and rewards of ownership of the asset. When the Company neither transfers nor materially retains all the risks and rewards accruing from the transferred asset and retains control of the asset, then the asset is recognised to the extent that the Company continues to participate in the asset. In this case, the Company also recognises an associated liability. The transferred asset and the associated liability is measured on a basis reflecting the rights and obligations retained by the Company.





Continued participation, which takes the form of a guarantee on the transferred asset, is recognised at the lower of the carrying amount of the asset and the maximum amount of the received consideration that the Company could be required to repay.

***Initial recognition and subsequent measurement of financial liabilities***

All financial liabilities are initially measured at their fair value less transaction costs, in the case of loans and liabilities.

***Revocation of recognition of financial liabilities***

A financial liability is derecognised when the obligation arising from the liability is cancelled or expires. When an existing financial liability is replaced by another from the same lender but under substantially different terms or the terms of an existing liability are significantly changed, such exchange or amendment is treated as a derecognition of the initial liability and recognition of a new one. The difference in the respective book values is recognised in the income statement.

***Offsetting of financial receivables and liabilities***

Financial receivables and liabilities are offset and the net amount is presented in the Statement of Financial position only where the Company holds the legal right to do so and intends to offset them on a clear basis between them or to retrieve the financial asset and offset the liability at the same time. The statutory right should not depend on future events and should be capable of being executed in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

The impairment test for receivables is described in note 2.11.

**2.11 Trade and other receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, except if the discount outcome is not important, less provision for impairment. Impairment losses for trade receivables arise when objective indications are in place that the Company is not in the position to collect all receivables under contractual terms.

Trade receivables comprise commercial paper and notes payable from customers.

Serious problems that the customer encounters, the possibility of bankruptcy or financial reorganization and the inability of scheduled payments considered to be evidence that the receivable value must be impaired. The amount of the provision is the difference between the asset's carrying value and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised as an expense in the income statement.

**2.12 Cash and cash equivalents**

Cash and cash equivalents include cash, sight deposits, and short-term investments of up to 3 months, with high liquidity and low risk.

**2.13 Share capital**

The share capital includes the Company's ordinary shares. Whenever the Company purchases own shares (Equity shares), the consideration paid is deducted from Equity until the shares are cancelled or disposed of. The profit or loss from the sale of Equity shares is recognised directly to Equity. Direct expenses for the issue of shares appear net of any relevant income tax benefit, to the reduction of equity.

**2.14 Trade and other payables**

Trade liabilities are usually obligations to make payment for products or services obtained during performance of typical commercial activity by suppliers. The accounts payable are classified as short-term liabilities if the payment is due within not more than one year. If not, they are classified as long-term liabilities. Trade liabilities are recognised initially at fair value and are measured subsequently at net book cost by the use of the effective rate method.

**2.15 Current and deferred taxation**

Income tax for the fiscal year comprises current and deferred taxation. Tax is recognised in the income statement, unless relevant to amounts recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in Other comprehensive income or equity, respectively.

Income tax on profit is computed in accordance with the tax legislation established as of the balance sheet date, and is recognised as expense in the period during which profit was generated. The management regularly evaluates the cases where the applicable tax legislation requires interpretation. Where necessary, estimates are made for the amounts expected to be paid to tax authorities.

Deferred income tax is determined using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts, as shown in the financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting or the taxable gains or losses. Deferred tax is determined using the tax rates and laws in force as of the date of the balance sheet, and expected to be in force when the deferred tax receivables will come due or deferred tax liabilities will be repaid.

Deferred tax receivables are recognised to the extent that there could be future taxable gains to use the temporary difference that gives rise to the deferred tax receivables.

Deferred tax receivables and liabilities are offset only if the offsetting of tax receivables and liabilities is permitted by law, and provided that deferred tax receivables and liabilities are determined by the same tax authority to the tax paying entity or different entities, and the intention has been expressed to proceed to settlement by way of offset.

**2.16 Provisions**

Provisions are recognised when an actual legal or assumed commitment exists as a result of past events, when settlement of such commitment will likely require an outflow of resources, and when the required amount can be reliably estimated.

When concession contracts include the concessionaire's contractual obligation to maintain the infrastructure at a certain service level or restore the infrastructure to a certain state before delivering it to the grantor at the end of the concession period, the Company, as concessionaire, recognises and values this obligation under IAS 37.

Provisions are recognised on a discounted basis when the effect of the time value of money is significant, using a pre-tax rate which reflects current market assessments of the time value of money and the risk specific to the liability. When provisions are discounted, the increase in provisions due to the lapse of time is recognized as a financial expense. Provisions are reviewed at each date of financial statements, and if an outflow of funds to settle the obligation is unlikely, they are reversed in the income statement.

**2.17 Revenue recognition****Income from the provision of services**

This category includes the provision of operating and maintenance services in the context of the Company's concession agreement with DIADYMA SA (see note 2.18).



Revenue from contracts with customers is recognised when the customer acquires control over the goods or services for an amount reflecting the consideration that the Company expects to be entitled to in exchange for those goods or services. The new standard establishes a five-stage model for measuring revenue from contracts with customers:

1. Identification of contract with the customer.
2. Identification of the performance obligations.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations of the contract.

Recognition of revenues when or while a financial entity fulfils the performance obligation.

If the Company fulfills its contractual obligations by transferring services to a customer before the customer pays the consideration or before payment is rendered due, the Company depicts the contract as a contractual asset. Contractual asset is an economic entity's right to a consideration for goods or services it has transferred to a customer, such as, e.g., when operation services are transferred to the customer before the Company is entitled to issue an invoice.

If the customer pays a consideration or the Company maintains a right in a consideration, which is unconditional before the fulfillment of obligations under the contract for the transfer of the services, then the Company depicts the contract as a contractual liability. A contract liability is de-recognised when the obligations under the contract are fulfilled and the income is recorded in the income statement.

### **Revenue from goods sold**

Revenue from goods sold is recognised at the time the buyer acquires control. Consequently, revenue from sale of goods will continue to be recognised on delivery to the buyer provided there is no unfulfilled obligation that could affect the acceptance of the goods by the buyer and could be calculated in the consideration specified in the contract with the customer. Revenue from the sale of goods comes from the sale of recyclable materials.

### **Income from interest**

Interest income is recognised on an accrual basis using the effective rate method. In case of impairment of financial assets on which financial income is recognised, such income is recognised using the interest rate that discounts future cash flows for impairment purposes.

## **2.18 Public Private Partnership Agreements**

Under a Public Private Partnership Agreement, where the Hellenic State cedes the provision of services to a private body, the Company applies IFRIC 12, provided that the following two conditions are met:

- a) the grantor controls or determines which services the operator should provide to whom and at which price, and
- b) the grantor controls any other significant interests in the infrastructure upon completion of the concession arrangement period.

In accordance with IFRIC 12, such infrastructures are not recognised under the assets of the operator (EPADYM SA) as property, plant and equipment, but are recognised under the financial assets as a financial asset with a receivable guaranteed by the Public Body (financial asset model), and/or under intangible assets as a Concession Right (intangible asset model), depending on the contractually agreed terms.



The Company, as an operator, recognises a financial asset to the degree that it has the unconditional contractual right to receive cash, if the grantor contractually guarantees to pay the operator:

(a) specified or determinable amounts; or

(b) the shortfall, if any, between amounts received from users of the public service and the specified or determinable amount provided for in the Partnership Agreement.

The project shall service the entire Administrative Division of the Region of Western Macedonia, including 4 prefectures (Kozani, Grevena, Florina, Kastoria) and 12 municipalities, for a duration of 27 years, pursuant to the concession agreement. Throughout the contractual period the grantor (DIADYMA SA) and its member-local authorities do not have the right to conclude a contract or agreement with a third party for the provision of services in the area that are similar to the services provided by the project. Moreover, DIADYMA SA shall ensure that its member-local authorities will deliver the entirety of their Mixed Solid Waste to the collection points. The sale price is contractually determined and is calculated per ton of processed waste.

The minimum guaranteed quantity of waste that the grantor (DIADYMA SA) guarantees to deliver to the operator (EPADYM SA) is 90,000 tons per year throughout the term of the contract. In the event that the total quantity of contractual waste is smaller than the Minimum Guaranteed Quantity, then the calculated charge will be determined by taking as a fact that the quantity of contractual waste is equal to the minimum guaranteed quantity.

At the end of the concession period, the Company shall transfer all rights and titles pertaining to assets to the grantor (DIADYMA SA).

The Company's management, following due consideration of the contractual terms, decided that a financial asset with a receivable guaranteed by the grantor (DIADYMA SA) should be recognised in this case.

The financial assets resulting from application of IFRIC 12 are shown in the Statement of Financial Position as "Financing Contribution from a Public Body (IFRIC 12)" and are recognised at amortised cost using the effective interest rate method, less any impairment losses. The effective interest rate is equal to the average weighted capital cost of the Operator, unless specified otherwise in the Partnership Agreement.

## **2.19 Borrowings**

Borrowings are recorded initially at fair value, net of transaction costs incurred. Loans are subsequently stated at net book cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Any borrowing expenses paid upon execution of new credit agreements are recognised as borrowing expenses, provided that part or all of the new credit line is withdrawn. In this case, they are recorded as future borrowing expenses until withdrawal is made. If the new borrowings are not used, in part or in full, these expenses are included in prepaid expenses and are recognised in profit or loss during the useful life of the relevant credit line.

Loans are classified as short-term obligations unless the Company has the right to defer settlement of the obligation for at least 12 months after the balance sheet date.

## **2.20 Distribution of dividends**

The distribution of dividends to the Company's shareholders is recognised as a liability at the date on which the distribution is approved by the General Meeting of the shareholders. Reclassifications and rounding of items.

**2.21 Reclassifications and rounding of items**

The amounts contained in these financial statements have been rounded in Euros. Possible differences that may occur are due to rounding.

The comparative accounts of the Financial Statements have not been reclassified

**3 Financial risk management****3.1 Financial risk factors**

The Company is exposed to various financial risks, such as liquidity risk, credit risk and interest rate risk. Risk management is monitored by the finance division of the parent Company ELLAKTOR SA, and more specifically, by the Central Financial Management Division, and is determined by instructions, directions and rules approved by the Board of Directors.

*(a) Liquidity risk*

To manage the liquidity risk, the Company budgets and regularly monitors its cash flows and ensures that cash on hand is available, including the options of intra-company loans and unused credit lines to meet its needs (e.g. financing, guarantee letters, etc.).

The Company's liquidity is monitored by the Management at regular intervals. The table below presents an analysis of the Company's financial liability maturities as of 31 December 2021 and 2020 respectively (amounts in thousands of euro):

		31-Dec-21				
COMPANY FIGURES						
		MATURITY OF FINANCIAL LIABILITIES				
		Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Trade and other payables		5,215	-	-	-	5,215
Borrowings		2,874	3,021	8,383	22,955	37,234
		31-Dec-20				
		MATURITY OF FINANCIAL LIABILITIES				
		Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Trade and other payables		5,057	-	-	-	5,067
Borrowings		2,133	2,874	8,741	25,619	39,367

The above amounts are presented in the contractual, non-discounted cash flows and therefore are not equivalent to the respective amounts shown in the financial statements, with respect to the Supplier accounts and other liabilities and Loans.



The Trade and other liabilities breakdown is exclusive of amounts from Social security institutions and other taxes/fees.

*(b) Credit Risk*

The Company has a concentrated credit risk, since all its receivables from the guaranteed receipt from grantor are receivable from the Region of Western Macedonia.

Cash and cash equivalents, investments and financial derivative contracts potentially involve credit risk as well. In such cases, the risk may arise from counterparty failure to fulfil their obligations towards the Company. In order to manage this credit risk, the Company sets limits to the degree of exposure for each financial institution, within the scope of the policies of the board of directors.

*(c) Cash flow risk due to change in interest rates*

The Company is exposed to risk from fluctuations of interest rates, mainly arising from bank loans. The Company is exposed to interest rate fluctuations seen on the market, which affect its financial position and cash flows. The cost of debt may increase as a result of these changes thus creating losses, or it can decrease on the occurrence of unexpected events. It should be noted that the fluctuation in interest rates in recent years has been caused primarily by the increase in spreads due to the lack of liquidity in the Greek banking market and the estimated risk of Greek companies, and to a lesser extent by the change to the base interest rates (e.g. Euribor). It is noted that in 2021 interest rates in Greece showed a downward trend reflecting the improvement in the economic climate.

The Company's Management monitors rate fluctuations systematically and on an ongoing basis and evaluates the need to assume hedging positions, if and when such risks are considered to be significant.

### 3.2 Fair value determination

The financial instruments carried at fair value at the balance sheet date are classified under the following levels, in accordance with the valuation method:

- Level 1: for assets and liabilities traded in an active market and whose fair value is determined by the quoted prices (unadjusted) of identical assets or liabilities.
- Level 2: for assets and liabilities whose fair value is determined by factors related to market data, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: for assets and liabilities whose fair value is not based on observable market data, but is mainly based on internal estimates.

On 31 December 2021 the company did not have financial instruments at fair values.

### 3.3 Cash management

Capital management aims to ensure the Company's going concern, and achieve its development plans, combined with its creditworthiness.

For the evaluation of Company's credit rating, Company net debt must be evaluated (i.e. total long term and short term liabilities to financial institutions minus cash and cash equivalents). The Company's net debt on 31.12.2021 and 31.12.2020, respectively, is detailed in the table below (amounts in thousands of euro):

	31-Dec-21	31-Dec-20
Short-term bank borrowings	2,062	1,248
Long-term bank borrowings	28,312	30,926
Total borrowings	30,374	32,174



Less: Cash and cash equivalents (including Committed Deposits)	3,851	3,996
<b>Net Corporate Debt/Cash</b>	<b>26,523</b>	<b>28,178</b>
<b>Total Company Equity</b>	<b>5,544</b>	<b>4,104</b>
<b>Total Capital</b>	<b>32,067</b>	<b>32,282</b>
<b>Gearing Ratio</b>	<b>0.83</b>	<b>0.86</b>

The gearing ratio as of 31 December 2021 for the Company is calculated at 82.71% (31 December 2020: 86.00%). This ratio is calculated as the quotient of net debt to total employed capital (i.e. total equity plus net debt).

#### 4 Significant accounting estimates of the management

The annual financial statements and the accompanying notes and reports might contain certain assumptions and calculations pertaining to future events in relation to the Company's operations, growth and financial performance. Although such assumptions and calculations are based on the best knowledge of the Company's Management with regard to current conditions and actions, the actual results may be different from such calculations and assumptions taken into account in the preparation of the Company's annual financial statements.

##### 4.1 Income tax

Estimates are required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Moreover, deferred tax assets are recognised for all tax losses to the extent that there may be sufficient tax gains to be offset against those tax losses. A considerable amount of judgment is requirement on the part of the management to determine the amount of deferred tax assets that can be recognised, on the basis of the possible timing and the level of future tax gains, as well as future tax planning strategies. Additional details on changing the useful life are included in Note 12 to the Financial Statements.

##### 4.2 Classification of assets on the basis of IFRIC 12

In accordance with IFRIC 12, the infrastructures constructed by an operator are not recognised under its assets as property, plant and equipment, but are recognised under financial assets as a financial asset with a receivable guaranteed by the grantor (financial asset model), and/or under intangible assets as a concession right (intangible asset model), or partly as a financial asset and partly as an intangible asset (hybrid model) depending on the contractually agreed terms. The final classification of amounts based on the above methods/models, requires judgment on the part of the Company's management in respect of interpreting the terms of the partnership agreement and such other factors as financial parameters. The management decided, based on the information at hand, that those amounts should be allocated as financial assets.

#### 5 Property, plant and equipment

	Land and buildings	Transportation equipment	Furniture & other equipment	Total
<b>Cost</b>				
<b>1-Jan-20</b>	<b>5,574</b>	<b>17,000</b>	<b>610</b>	<b>23,184</b>



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Write-offs	(5,574)	-	-	-5,574
<b>31-Dec-20</b>	<b>-</b>	<b>17,000</b>	<b>610</b>	<b>17,610</b>
<b>1-Jan-21</b>	<b>-</b>	<b>17,000</b>	<b>610</b>	<b>17,610</b>
Write-offs	-	-	-	-
<b>31-Dec-21</b>	<b>-</b>	<b>17,000</b>	<b>610</b>	<b>17,610</b>
<b>Cost</b>				
<b>Accumulated Amortization</b>				
<b>1-Jan-20</b>	-	(992)	(610)	(1,602)
Amortisation for the period	-	992	-	992
<b>31-Dec-20</b>	<b>-</b>	<b>0</b>	<b>(610)</b>	<b>(610)</b>
<b>1-Jan-21</b>	<b>-</b>	<b>0</b>	<b>(610)</b>	<b>(610)</b>
Amortisation for the period	-	-	-	-
<b>31-Dec-21</b>	<b>-</b>	<b>0</b>	<b>(610)</b>	<b>(610)</b>
<b>Net book value as of 31 December 2020</b>	<b>-</b>	<b>17,000</b>	<b>-</b>	<b>17,000</b>
<b>Unamortised value at 31 December 2021</b>	<b>-</b>	<b>17,000</b>	<b>-</b>	<b>17,000</b>

## 6 Financial Contribution from a Public Body (IFRIC 12)

	1-Jan-20	Increase in receivables	Decrease in receivables	Unwind of discount (Note 15)	31-Dec-20
Financial Contribution from a Public Body (IFRIC 12)	38,657,571	5,925,981	(9,661,266)	3,007,421	37,929,707
<b>Total</b>	<b>38,656,572</b>	<b>5,925,981</b>	<b>-9,661,266</b>	<b>3,007,421</b>	<b>37,929,707</b>
	1-Jan-21	Increase in receivables	Decrease in receivables	Unwind of discount (Note 15)	31-Dec-21
Financial Contribution from a Public Body (IFRIC 12)	37,929,707	6,834,434	(10,174,957)	2,913,506	37,502,690
<b>Total</b>	<b>37,929,707</b>	<b>6,834,434</b>	<b>(10,174,957)</b>	<b>2,913,506</b>	<b>37,502,690</b>

	31-Dec-21	31-Dec-20
Non-current assets	27,314,236	27,860,734





Current assets	10,188,454	10,068,973
	<b>37,502,690</b>	<b>37,929,707</b>

## 7 Receivables

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
Trade receivables	1,242,569	1,080,114
Greek State: (withheld and pre-payable taxes)	281	-
Greek State: VAT debit	76,733	-
Cheques (postdated) receivable	89,198	47,622
Prepaid expenses	93,760	141,192
Revenue receivable (excluding contracts with customers)	2,197	-
Advances from creditors	-	2,127
<b>Total</b>	<b>1,504,738</b>	<b>1,271,054</b>
Non-current assets	-	-
Current assets	1,504,738	1,271,054
<b>Total</b>	<b>1,504,738</b>	<b>1,271,054</b>

## 8 Cash and cash equivalents

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
Cash in hand	282	339
Sight deposits	757,657	634,543
<b>Total</b>	<b>757,939</b>	<b>634,882</b>

The following table shows the rates of deposits per credit rating class by Standard & Poor's (S&P).

	<b>Sight and time deposits %</b>	
<b>Financial Institution Rating (S&amp;P)</b>	<b>31-Dec-21</b>	<b>31-Dec-20</b>
B+	100%	-
B	-	100%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>



## 9 Restricted cash deposits

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
Non-current assets	3,093,487	3,361,359
<b>Total</b>	<b>3,093,487</b>	<b>3,361,359</b>

The Committed Deposits are denominated in euro and concern reserves in bank account for future liabilities as set out in the Concession Agreement.

## 10 Share capital

	<b>Number of Shares</b>	<b>Share capital</b>	<b>Total</b>
1-Jan-20	425,100	4,251,000	4,251,000
31-Dec-20	425,100	4,251,000	4,251,000
1-Jan-21	425,100	4,251,000	4,251,000
31-Dec-21	425,100	4,251,000	4,251,000

As of 31 December 2021, the total number of ordinary shares issued amounted to 425,100 common shares, with a nominal value of 10 Euros each

## 11 Other reserves

	<b>Statutory reserves</b>	<b>Total</b>
1-Jan-20	-	-
31-Dec-20	-	-
1-Jan-21	-	-
Statutory reserves	64,656	64,656
31-Dec-21	64,656	64,656

### Statutory reserves

The provisions of Article 158 of Law 4548/2018 regulate the manner in which statutory reserves are formed and used, as follows: At least 5% of each year's actual (book) net earnings must be withheld to form a statutory reserve, until the statutory reserve's accumulated amount equals at least 1/3 of the share capital. Upon decision of the Ordinary General Meeting of Shareholders, the statutory reserve may be used to cover losses, and therefore may not be used for any other purpose.



## 12 Trade and other payables

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
Suppliers	35,965	138,049
Trade payables– Related parties (note 18)	906,464	1,379,774
Accrued costs	45,362	37,927
Social security and other taxes	2,344	31,299
Advances from customers	107	-
Accrued interest on loans by related parties (note 18)	4,218,059	3,501,012
Other creditors	8,699	-
<b>Total</b>	<b>5,217,000</b>	<b>5,088,061</b>
Current	5,217,000	5,088,061
<b>Total</b>	<b>5,217,000</b>	<b>5,088,061</b>

## 13 Deferred taxation

Deferred tax receivables and liabilities are compensated when there is an applicable legal right to compensate the current tax receivables against the current tax liabilities and when the deferred income taxes involve the same tax authority. Offset amounts are as follows:

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
Deferred tax liabilities	1,740,972	1,847,847
	<b>1,740,972</b>	<b>1,847,847</b>

Total change in deferred income tax is presented below.

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
<b>Balance at period start</b>	<b>1,847,862</b>	<b>1,724,316</b>
Debit/ (credit) through profit and loss	(106,891)	123,546
<b>Closing balance</b>	<b>1,740,971</b>	<b>1,847,862</b>

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



**Deferred tax receivables:**

	<b>Other</b>	<b>Total</b>
<b>1-Jan-20</b>	<b>30,393</b>	<b>30,393</b>
Income statement debit/(credit)	5,651	<b>5,651</b>
<b>31-Dec-20</b>	<b>36,044</b>	<b>36,044</b>
<b>1-Jan-21</b>	<b>36,044</b>	<b>36,044</b>
Income statement debit/(credit)	3,335	<b>3,335</b>
<b>31-Dec-21</b>	<b>39,379</b>	<b>39,379</b>

**Deferred tax liabilities:**

	<b>Accelerated tax depreciation</b>	<b>Borrowing Expenses</b>	<b>Total</b>
<b>1-Jan-20</b>	<b>1,664,957</b>	<b>89,751</b>	<b>1,754,709</b>
Income statement debit/(credit)	129,197	-	<b>129,197</b>
<b>31-Dec-20</b>	<b>1,794,155</b>	<b>89,751</b>	<b>1,883,906</b>
<b>1-Jan-21</b>	<b>1,794,155</b>	<b>89,751</b>	<b>1,883,906</b>
Income statement debit/(credit)	(95,192)	(8,363)	<b>(103,555)</b>
<b>31-Dec-21</b>	<b>1,698,963</b>	<b>81,388</b>	<b>1,780,351</b>

**14 Borrowings**

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
<b>Long-term borrowings</b>		
Bank loans	15,593,907	18,208,567
Bond loan from shareholders (note 18)	12,718,132	12,718,132
<b>Total long-term borrowings</b>	<b>28,312,039</b>	<b>30,926,699</b>
<b>Short-term borrowings</b>		
Bank loans	2,062,297	1,248,307
<b>Total short-term borrowings</b>	<b>2,062,297</b>	<b>1,248,307</b>
<b>Total borrowings</b>	<b>30,374,337</b>	<b>32,175,006</b>

Exposure to interest rate changes is deemed to be low, as all the loans were obtained on the basis of a fixed rate.

The fair value of the Loans, including interest (Note 15), on 31/12/2021 was 26,559,967 euros (31/12/2020: 30,853,723 euros)

The maturities of long-term borrowings are as follows:

	<b>31-Dec-21</b>	<b>31-Dec-20</b>
1 to 2 years	2,306,494	2,062,293
2 to 5 years	6,869,631	6,914,316
Over 5 years	19,135,914	21,950,154
	<b>28,312,039</b>	<b>30,926,699</b>

The total borrowings on 31.12.2021 amounting to 30.4 million euro pertain to fixed rate loans with an average interest rate of 4.48%. Borrowings on 31.12.2020 amounting to 32.1 million euro pertain to fixed rate loans with an average interest rate of 4.48%.

To secure the loans obtained from the borrowing banks, the following guarantees were provided *inter alia*:

- the Company's bank accounts;
- the Partnership Agreement;
- the Design & Construction Agreement;
- the Operation & Maintenance Agreement;
- the Independent Engineer Agreement.

All Company loans are expressed in Euro,

**15 Expenses per category**



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	<b>1-Jan to 31-Dec-21</b>		
	<b>Cost of sales</b>	<b>Administrative expenses</b>	<b>Total</b>
Premiums	211,463	-	<b>211,463</b>
Technician (engineers, designers, etc.) fees and expenses	71,612	-	<b>71,612</b>
Other fees of managers and third parties	7,829,961	130,014	<b>7,959,975</b>
Taxes - Duties	-	16,494	<b>16,494</b>
Transportation and travelling expenses	12,277	-	<b>12,277</b>
Third Party Benefits (PPC, OTE, EYDAP, mobile telephony providers, natural gas company, etc.)	-	153	<b>153</b>
Depreciation of operation permit	113	-	<b>113</b>
Costs of repair and maintenance of technical works	1,049,150	-	<b>1,049,150</b>
Other	243,964	320	<b>244,284</b>
Other third party fees and expenses	-	-	-
<b>Total</b>	<b>9,418,540</b>	<b>146,981</b>	<b>9,565,521</b>

	<b>1-Jan to 31-Dec-20</b>		
	<b>Cost of sales</b>	<b>Administrative expenses</b>	<b>Total</b>
Premiums	230,303	-	<b>230,303</b>
Technician (engineers, designers, etc.) fees and expenses	72,807	-	<b>72,807</b>
Other fees of managers and third parties	7,622,630	141,437	<b>7,764,067</b>
Taxes - Duties	-	19,063	<b>19,063</b>
Transportation and travelling expenses	5,133	-	<b>5,133</b>
Third Party Benefits (PPC, OTE, EYDAP, mobile telephony providers, natural gas company, etc.)	-	172	<b>172</b>
Depreciation of operation permit	113	-	<b>113</b>
Repair and maintenance expenses of PPE	818	-	<b>818</b>
Other	87,694	-	<b>87,694</b>
Other third party fees and expenses	360,693		<b>502,130</b>
<b>Total</b>	<b>7,946,102</b>	<b>234,068</b>	<b>8,180,170</b>



## 16 Financial income / (expenses)

		1-Jan to	
	Note	31-Dec-21	31-Dec-20
<b>Financial income</b>			
Unwind of guaranteed receipt discount	6	2,913,506	3,007,421
<b>Total financial income</b>		<b>2,913,506</b>	<b>3,007,421</b>
<b>Financial expenses</b>			
Interest expenses involving bank loans		(2,262,831)	(2,234,145)
<b>Interest expenses</b>		<b>(2,262,831)</b>	<b>(2,234,145)</b>
Miscellaneous bank charges		(54,072)	(18,362)
<b>Other financial expenses</b>		<b>(54,072)</b>	<b>(18,362)</b>
<b>Total financial expenses</b>		<b>(2,316,903)</b>	<b>(2,252,506)</b>

## 17 Income tax

	31-Dec-21	31-Dec-20
Deferred tax	(106,891)	123,546
<b>Total</b>	<b>(106,891)</b>	<b>123,546</b>

With regard to the financial years 2011 through 2015, Greek Sociétés Anonyme whose financial statements must be audited by statutory auditors, were required to be audited by the same Statutory Auditor or audit firm that reviewed their annual financial statements, and obtain a “Tax Compliance Report”, as laid down in Article 82(5) of Law 2238/1994 and Article 65A of Law 4174/2013. With regard to fiscal years from 2016 onwards, the tax audit and the issue of a “Tax Compliance Report” are optional.

Pursuant to the relevant tax provisions of: a) Article 1(84) of Law 2238/1994 (unaudited income taxation cases), b) Article 1(57) of Law 2859/2000 (non-audited VAT cases), and c) Article 9(5) of Law 2523/1997 (imposition of fines for income tax cases), the right of the State to impose taxes for the financial years up to 2015 is time-barred until 31.12.2021, subject to special or extraordinary provisions which may introduce longer limitation periods under conditions laid down in such provisions. Moreover, according to settled case-law of the Council of State and the Administrative Courts, in the absence of a limitation provision contained in the Codified Laws on Stamps Duty, the State’s claim for stamp duty is subject to the twenty-year limitation period laid down in Article 249 of the Civil Code.

The Company’s fiscal years have not been audited by the tax authorities since incorporation (December 2014). For financial year of 2021, the Company is subject to the tax audit by certified auditors-accountants, as provided for by Article 65(a) of Law 4174/2013. Such audit is already being performed, and the relevant tax certificate is anticipated to be delivered following the publication of the financial statements for 2020. The Company’s management is not expecting significant tax liabilities, upon completion of the tax audit, other than those recorded and presented in the financial statements.



Tax losses transferred from previous years, to the extent that they are accepted by the tax authorities, may be set off with the profits of the five following years.

The tax on the Company's profits before taxes is different from the notional amount which would have resulted had we used the average weighted tax rate of the company's country, as follows:

	31-Dec-21	31-Dec-20
<b>Accounting Profit before tax</b>	<b>1,333,468</b>	<b>623,022</b>
<b>Tax rate</b>	<b>22%</b>	<b>24%</b>
Tax calculated in line with the applicable tax rate at the company's registered office.	293,363	149,525
Use of tax losses from prior financial years	(246,359)	(26,523)
Expenses not deductible for tax purposes	2,938	545
Effect of change to tax rate from 24% to 22%	(156,832)	-
<b>Taxes</b>	<b>(106,891)</b>	<b>123,546</b>

## 18 Potential liabilities and capital commitments undertaken

### Contingent liabilities:

The Company has no disputes in litigation or in arbitration, nor are there any pending decisions by judicial or arbitration bodies that may have a significant impact on its financial standing or operation.

One person was employed during the fiscal year 2021.

Finally, there are no other contingent liabilities relating to other issues arising out of its ordinary course of business.

### Capital commitments undertaken

As at 31/12/2021 there are no contractual commitments for future capital expenses for the construction of the project, since the project was completed on 10/6/2017.





## 19 Company transactions with affiliates

The aggregate amounts of sales and purchases from year start, as well as the closing balances of receivables and liabilities at year end, which have resulted from transactions with related parties under IAS 24, are as follows:

	1-Jan to	
	31-Dec-21	31-Dec-20
<b>(a) Purchases of goods and services</b>	<b>10,103,847</b>	<b>8,743,692</b>
- Purchases from shareholders	1,557,526	1,481,593
Cost of sales	139,206	158,479
Administrative expenses	51,272	50,000
Financial expenses	1,367,047	1,273,115
- Purchases from related parties	8,546,321	7,262,098
Cost of sales	8,546,321	7,261,936
Financial expenses	-	162
<b>(b) Closing balance (Liabilities)</b>	<b>17,842,655</b>	<b>17,598,918</b>
- Payables to shareholders	16,990,578	16,288,578
Suppliers	54,387	69,434
Loans from shareholders	12,718,132	12,718,132
Accrued interest	4,218,059	3,501,012
- Payables to other related parties	852,077	1,310,340
Suppliers	852,077	1,310,340

Services from related parties, are performed in accordance with the price lists that apply to non-related parties. Amounts payable to and from related parties are not subject to securities, have no specific repayment terms and are interest-free.

### (c) Loans from related parties

	31-Dec-21	31-Dec-20
<b>Balance as of 1 January</b>	<b>16,219,144</b>	<b>15,396,029</b>
Capitalised/accrued interest during the year	1,367,047	823,115
Repayment of borrowings (Capital)-Intra-corporate	(650,000)	(450,000)
<b>Balance as of 31 December</b>	<b>16,936,191</b>	<b>16,219,144</b>

The repayment of borrowings taken out by Company shareholders including relevant interest will be realised in 2042, together with the end of the concession, according to the terms of the borrowing agreement between the parties. In the meanwhile however, the said borrowing agreement provides that the Company has the contractual right to early repayment of the borrowings and the corresponding interest, without however such repayment exceeding 1 million euro per year in capital. During the year 2021 no repayment was made.

**20 Events after the date of the Statement of Financial Position**

The recent energy crisis, the depth and breadth of which is evolving to be greater than initially estimated especially after the military operations in Ukraine, contributes to a further climate of uncertainty regarding the impact of the inflationary pressures which have already been exerted on consumption, investment and, consequently, economic development. The energy crisis, which was initially attributed to increased demand due to the recovery from the Covid-19 pandemic and to EU policy to mitigate the effects of the climate crisis, subsequently worsened due to geostrategic reasons and has become unpredictably significant due to recent military operations in Ukraine. With the data available so far, the impact of the energy crisis on the Group's RES sector do not seem to be significant until the end of the year. The Company is continually and carefully monitoring and evaluating events as they develop.

Except for the above, no events took place after the date of the financial statements of 31 December 2021 having a material impact on the understanding of these Financial Statements, which should either be notified or cause a modification to be made to the figures set out in the published financial statements.

THE CHAIRMAN & MANAGING DIRECTOR OF THE BOARD OF DIRECTORS	THE VICE- CHAIRMAN	THE FINANCIAL MANAGER	THE HEAD OF THE ACCOUNTING DEPARTMENT
IOANNIS ELEFThERIOS MARGIOLOS ID Card No: AK 103399	NIKOS PERDIKARIS ID Card No AE 631170	GEORGIOS PLIATSIKAS ID Card No. AI 559981	DIMITRA MELETI ID Card No. 124134

Kozani, 30 June 2022