PUBLIC POWER CORPORATION S.A.

FINANCIAL REPORT
for the six-month period ended June 30th 2023

The attached Financial Report for the six-month period ended June 30th 2023, has been prepared **according to article 5 of Law 3556/2007**, has been approved by the Board of Directors of "Public Power Corporation S.A." on August 3rd 2023, and is available on the internet, at the web site address www.dei.gr.

Public Power Corporation S.A.
General Commercial Registry: 786301000
Chalkokondyli 30 - 104 32 Athens

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I. STATEMENT OF MEMBERS OF THE BOARD OF DIRECTORS

STATEMENT OF MEMBERS OF THE BOARD OF DIRECTORS
(According to article 5, par.2 of Law 3556/2007)

1. Georgios Stassis, Chairman and C.E.O. of P.P.C. S.A.
2. Maria Psillaki, Member of the Board of Directors,
3. Stefanos Kardamakis, Member of the Board of Directors,

hereby

WE DECLARE

that, to the best of our knowledge:

a) The accompanying interim Condensed Financial Statements of "Public Power Corporation S.A.", for the six month period ended June 30th 2023, which were prepared according to the International Financial Reporting Standards – currently in effect- as adopted by the European Union, truthfully depict assets, liabilities, equity and the statement of income of "Public Power Corporation S.A.", as well as the companies included in the consolidation taken as a whole, according to the provisions of paragraphs 3 – 5, article 5 of Law 3556/2007 and,

b) The accompanying Board of Directors' Report truthfully depicts the evolution, performance and position of "Public Power Corporation S.A". and the companies included in the consolidation taken as a whole, as well as a description of the major risks and uncertainties that they have to deal with.

Athens, August 3rd 2023

Chairman and C.E.O.	Member of the Board of Directors	Member of the Board of Directors
Georgios Stassis	Maria Psillaki	Stefanos Kardamakis

II. REPORT OF THE BOARD OF DIRECTORS

PUBLIC POWER CORPORATION S.A.
SIX MONTH REPORT OF THE BOARD OF DIRECTORS
FOR THE PERIOD 1.1.2023 - 30.6.2023

This is a condensed report of financial information of "Public Power Corporation S.A." ("the Parent Company") and its subsidiaries ("the Group") for the first half of the current financial year, as well as, the major events of the period and their effect on the six month financial statements. There is, also, a description of the main risks and uncertainties that the Group might face in the second half of the financial year, the outlook for this half, as well as, the balances and transactions between PPC and its related parties.

This report also refers to Alternative Performance Measures. For details on the purpose and calculations refer to ANNEX - Definitions and reconciliations of Alternative Performance Measures ("APMs").

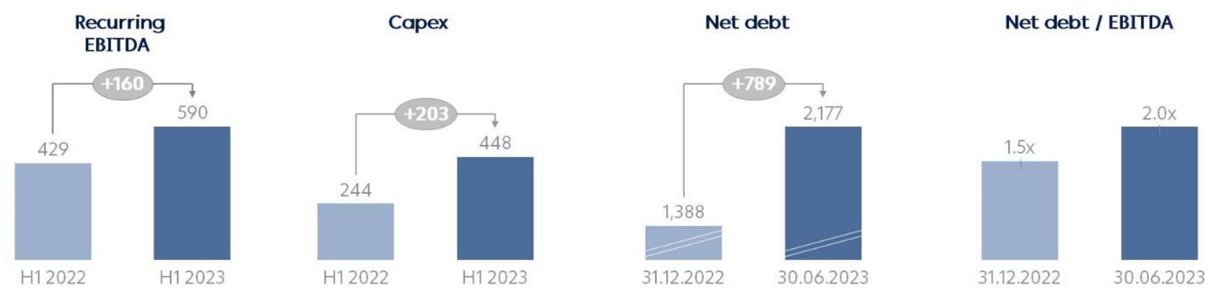
The six-month Report for the period ended on June 30th 2023 is available on the internet at the web site address https://www.dei.gr.

PPC Group H1 2023 financial results

Key Group Financial Results

(in € m)		H1 2023	H1 2022	Δ (%)	Q2 2023	Q2 2022	Δ (%)
Turnover	(1)	3,582.0	4,392.3	*-18.4%*	1,589.2	2,144.9	*-25.9%*
Operating expenses	(2)	2,992.3	3,963.0	*-24.5%*	1,280.1	1,885.7	*-32.1%*
EBITDA recurring	(3)=(1)-(2)	**589.7**	**429.3**	***37.4%***	**309.1**	**259.2**	***19.2%***
EBITDA margin recurring	(4)=(3)/(1)	**16.5%**	**9.8%**		**19.5%**	**12.1%**	
One-offs	*(5)*	*11.4*	*0.0*		*11.4*	*0.0*	
EBITDA	(6)=(3)-(5)	**578.3**	**429.3**	***34.7%***	**297.7**	**259.2**	***14.8%***
EBITDA margin	(7)=(6)/(1)	**16.1%**	**9.8%**		**18.7%**	**12.1%**	
Depreciation, total net financial expenses and share of profits/(losses) in associated companies and JVs	(8)	434.9	424.7	*2.4%*	227.6	225.3	*1.0%*
Gain from the sale of a subsidiary	(9)	*(141.6)*	*0.0*		(141.6)	*0.0*	
Impairment loss	(10)	*5.4*	*2.7*	*94.7%*	5.4	*1.8*	*191.6%*
Pre-tax profits/(Losses)	(11)=(6)-(8)-(9)-(10)	**279.6**	**1.9**		**206.3**	**32.1**	
Net income / (Loss)	(12)	181.5	(11.1)		130.4	174.6	

Evolution of key Group figures (€ m)



Profitability evolution

Increased operational profitability in H1 2023 due to the decrease in operating expenses and mainly in the energy purchases, natural gas and CO_2 emissions expenses. Specifically, EBITDA on a recurring basis amounted to € 589.7 m increased by €160.4 m (37.4%) compared to H1 2022.
In Q2 2023 recurring EBITDA amounted to €309.1 m compared to €259.2 m in Q2 2022.

Pre-tax profits amounted to € 279.6 m compared to pre-tax profits of €1.9 m in H1 2022 since they were affected by the gain of €141.6 m from the sale of 100% shares of the newly established subsidiary METALIGNITIKI S.A. to the Greek State after the completion of the hive-down of the Post-Lignite Exploitation branch of PPC S.A. and its contribution to METALIGNITIKI S.A.

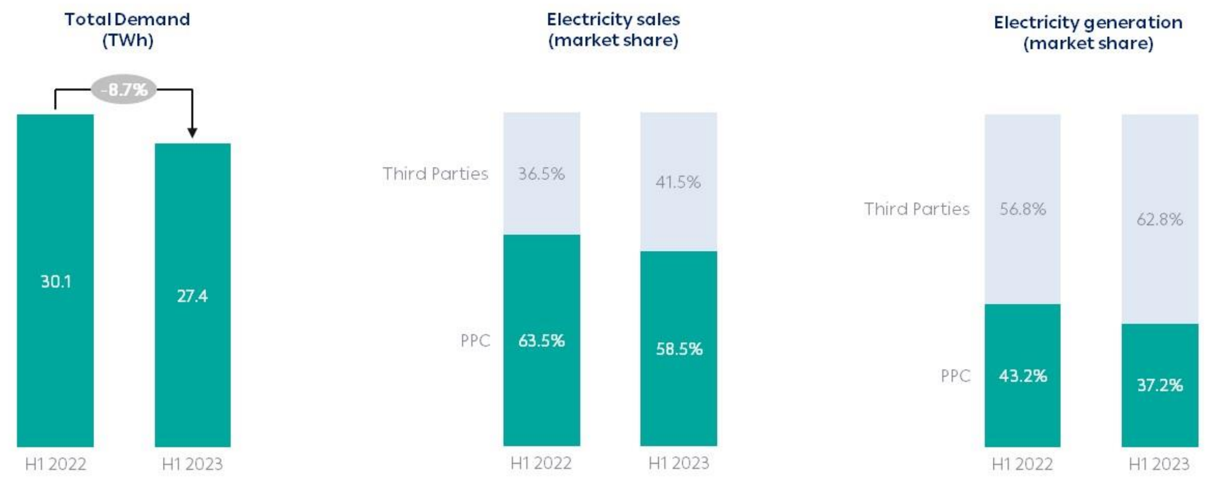
Net profits of €181.5 m were recorded in H1 2023 compared to net losses of €11.1 m in H1 2022.

Operating figures

As far as domestic demand is concerned, the downward trend continued in Q2 2023, although at a slower pace compared to Q1 2023, resulting to a 8.7% reduction in H1 2023. An equal reduction was recorded in total electricity demand that is including exports. The incentives provided by the State for energy saving as well as the weather conditions in Q1 2023 contributed to the abovementioned reduction.

PPC's average retail market share in the country, declined to 58.5% in H1 2023 from 63.5% in the corresponding period of 2022. Specifically, the average retail market share in the Interconnected System decreased to 55% in June 2023 (from 63.6% in June 2022), while PPC's average market share, per voltage, was 53.8% (from 90.1%) in High Voltage, 33.7% (from 38.4%) in Medium Voltage and 64.2% (from 66.6%) in Low Voltage.

In electricity generation PPC's average market share decreased to 37.2% in H1 2023 from 43.2% in H1 2022 mainly due to the lower gas fired generation.



Analysis of Revenues & Operating Expenses of PPC Group

Revenues

Turnover for H1 2023, decreased by €810.3 or 18.4% due to the decrease of volume sold as a result of the decrease in domestic demand and the decrease in the energy supply market share as well as due to lower tariffs driven by lower wholesale market prices.

Operating Expenses

Operating expenses before depreciation decreased in H1 2023 by 24.5% (€2,992.3 m compared to €3,963 m mainly as a result of the above-mentioned decrease in expenses for natural gas purchases, energy purchases and CO_2 emission allowances.

Energy mix expenditure
Expenditure for liquid fuel, natural gas, CO_2, lignite and energy purchases decreased by €1,096.7 m (34%) compared to H1 2022.

Payroll cost
Total payroll cost excluding the impact of one-off items, amounted to €359.5 m from €350.8 m, with the Group's personnel amounting to 13,102 (from 12,582 at the end of H1 2022).

Provisions
Bad dept provisions did not record a significant change since in H1 2023 marked an increase of€ 81.5 m compared to an increase of € 82.6 m in H1 2022.

One-off items impacting EBITDA

EBITDA in H1 2023 has been negatively impacted by the provision for personnel's severance payment of € 11.4 m, which was recorded in Q2 2023.

Capex

Capital expenditure amounted to €447.5 m in H1 2023 compared to €244.4 m in H1 2022.
As shown in the table below, most of the increase is attributed to higher investments in the Distribution Network, RES projects and the new gas fired unit in Alexandroupolis with a capacity of 840 MW.

The composition of main capex is as follows:

(in € m)	H1 2023	H1 2022	Δ	Δ (%)
Conventional Generation (*)	142.2	62.4	*79.9*	*128.1%*
RES projects (**)	53.3	30.5	*22.7*	*74.5%*
Distribution network	232.1	146.7	*85.4*	*58.2%*
Other	19.9	4.8	*15.1*	*314.2%*
Total	**447.5**	**244.4**	*203.1*	*83.1%*

(*) Including Mines capex

(**) Including capex for hydro power plants

Net Debt

Net debt stood at €2,176.8 m on 30.06.2023, increased by €788.7 m compared to 31.12.2022 (€1.388.1 m) due to the negative working capital impact which was affected by the payment for CO_2 emission allowances for the compliance of 2022 which takes place annually by the end of March of the next year.

Net Debt evolution is shown below:

(in € m)	30.06.2023	31.12.2022	30.06.2022
Gross Debt (1)	4,714.0	4,598.7	4,477.1
Cash and cash equivalents / Restricted cash*/ Other financial assets (2)	2,537.2	3,210.6	2,232.0
Net Debt (3) = (1) - (2)	2,176.8	1,388.1	2,245.1

(*) For the calculation of net debt, restricted cash related to debt has been deducted

MAJOR EVENTS OF THE PERIOD

Significant events for the first six-month period of 2023 are presented in detail in Note 3 of the Financial Statements.

MAJOR RISKS - UNCERTAINTIES

The Group's and the Parent Company's activities are subject to various risks. Any of the following risks could have a material adverse effect on the Group's and the Parent Company's business, financial position or results. The risks described below are not the only risks that the Group and the Parent Company face. Additional risks and uncertainties not currently known to the Group and the Parent Company or that are currently deemed to be immaterial may also materially adversely affect in the future their business, financial position, results and cash flows. The order in which the risks are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact.

-Market risk

The Group and the Parent Company participate in the Greek energy wholesale market both as producer and as supplier of electricity, which exposes them to market price risk stemming from fluctuations in the prices of natural gas, oil and CO_2 emission rights, which are traded in international commodity markets, as well as to the fluctuations of the electric power prices, which is traded in the Greek market. Significant fluctuations in the prices or quantities of electricity, natural gas, fuels and CO_2 emission rights affect, directly or indirectly through the effect on the price of the Greek wholesale energy market, the financial position, results and cash flows of the Group and the Parent Company as well as their business activities and prospects.

According to Law 4951/2022, the clearing of the wholesale energy market was changed with the establishment of a "Temporary Mechanism for the Return of Part of Producers' Revenues in the Day Ahead Market". The mechanism was then extended into the Intra-Day Market and while it was initially in force until 30.06.2023, it was extended until 30.09.2023 (with the Ministerial Decision no. YPEN/GEOPY/54277/4 of 17.05.2023). Energy producers are compensated at a price that cannot exceed a regulatory cap (regulated price) for each class of power generation units (and in particular the Large Hydroelectric Power Plants and Renewable Energy Sources Units), which is calculated on a monthly basis by the Day Ahead Market Clearing Agency. This regulatory cap is such that in many cases the power generation units are compensated based on it and not according to the Day Ahead Market Clearing Price. The regulated price for Large Hydroelectric Power Plants (HPP) and Renewable Energy Sources (RES) Portfolios has been set fixed, while the regulated price for thermal units reflects the variable production cost of these units. For the same period, also in accordance with Law 4951/2022, Suppliers are not allowed to apply clauses linked to the fluctuation of wholesale market sizes and are obliged to announce their energy supply price list on a monthly basis, while at the same time customers have the possibility to freely choose and change free of charge their Supplier and/or the type of supply tariff.

In order to limit the Group and Parent Company's exposure to market risk, they have adopted risk management policies for the management of price risk in line with limits and targets assigned by the senior management. Hedging activities typically entail the use of derivatives instruments to reduce the risk. Nevertheless, their exposure to these risks has not been eliminated and they may not manage to adequately hedge against volatility in commodity prices and volatility in wholesale power market prices, either because of low liquidity in the Forward Electricity Market, or because of other reasons. Moreover, the execution of hedging activities through their participation in organized commodity exchanges is creating new needs for credit and cash settlement requirements, as well as for cash margining to cover adverse price movements or stop-loss procedures, which could result in significant liquidity needs.

-External environment risks

Macroeconomic conditions in Greece

Substantially all of the Group and Parent Company's assets and operations are in Greece and thus Greece's economic situation is anticipated to be reflected in the Group and Parent Company's business. The Group and Parent Company's business activities and results of operations are highly dependent on residential and business demand for electricity in Greece, as well as their customers' ability to pay their electricity bills in a timely manner. Electricity consumption in Greece is heavily dependent on levels of disposable income, spending capacity and employment trends, as well as the availability and cost of funding for their industrial and commercial customers.

Any potential future deterioration in economic activity in Greece could result in a decrease in demand for the electricity the Group and Parent Company's supply and/or generate an increase in unpaid and overdue bills and provisions for expected credit losses, which could adversely affect the Group and Parent Company's business, financial condition and results of operations.

European economic and political developments

In the ordinary course of the Group and Parent Company's business, they are exposed to the risk of a reduction in demand for electricity, which may occur as a result of global financial and economic uncertainty. The COVID-19 pandemic, the energy crisis and the war in Ukraine have adversely affected economic activity. The imposition of sanctions, due to the war between Russia and Ukraine, has a negative impact on both energy and financial markets due to the impact on quantities and prices of energy goods, mainly electricity and gas. Any changes in global commodity prices, available cross-border capacities, material changes in electricity demand in Europe or a possible disruption of natural gas supply, could have an impact on electricity prices and a material adverse effect on the Group and Parent Company's business.

Supply chain risk

The Group and Parent Company face risks relating to the construction of their electricity generation units, including risks relating to the availability of equipment from suppliers, availability of building materials and key components, availability of key and qualified engineering personnel, delays in construction timetables and completion of the projects within budget and to required specifications. Additionally, adverse macroeconomic developments, as well as financial and/or operating problems of key suppliers and contractors may have a negative impact on the Group and Parent Company's ability to purchase liquid fuels, spare parts and materials and may increase their operating expenses.

Assumptions and hypotheses risk

The Group and Parent Company have established targets for medium- and long-term financial performance, all of which assume, inter alia, the successful and timely execution of the transformation strategy and five- year business plan. The management of the Group and the Parent Company has based these targets on a number of assumptions and hypotheses that are inherently subject to significant business, operational, economic, financial and other risks, many of which are outside of the Group and Parent Company's control. Should one or more of the assumptions underlying the targets for financial performance change or prove to be incorrect, the Group and Parent Company's actual medium- to long-term financial performance could differ materially from the targeted medium- to long-term financial performance.

-Regulatory & legislative developments, political and tax risk

The Group and Parent Company's operations are subject to extensive and complex regulation, which impacts many areas of their business, including the sources of their power generation activity, the overall energy market structure, the construction and operation of electricity generation facilities, the trading of commodities and financial derivatives, market behaviour rules, present or prospective wholesale or retail competition and general health and safety and environmental matters. These rules and policies have affected and may continue to affect the Group and Parent Company's business, and any changes in law or regulation, or decisions by governmental bodies or regulators, could negatively affect their business and performance. Accordingly, the Parent Company closely monitors legislative and regulatory developments, such as:

- The revision of the European Target Model, which may cause a significant structural reform of the existing organization system of the wholesale electricity market.
- The procedures for obtaining and/or renewing licenses necessary for the operation of the Parent Company and the Group (indicatively, mining, production, distribution and trading of electric energy)
- Regulatory changes by the Hellenic State or the Regulatory Authority for Energy (RAE) (e.g. those concerning pricing policies of energy suppliers).
- Regulatory changes by the European Commission and other EU institutions (e.g. European rules on competition and environment, promotion of the integration of European electricity markets, development of renewable energy sources and promotion of sustainable energy investments. etc.).
- Environmental regulations based on provisions in accordance with Greek legislation, including laws issued for the implementation of EU Directives and international agreements (e.g. regulations for exhaust emissions, mine rehabilitation, waste disposal, management and remediation of water pollution incidents).
- The tax regime (e.g. imposition of any new taxes, fees or contributions or the change in the interpretation or application of tax provisions by the tax authorities), as well as the harmonization of Greek and European tax legislation.

There are also an inherent risk that governmental or regulatory authorities will interpret or apply laws and regulations in a manner the Group and Parent Company do not expect or agree with. The Group and Parent Company have in the past disputed adverse or unfavourable decisions of administrative, regulatory and judicial authorities, and similar matters may become subject to disputes with competent authorities in the future. Adverse regulatory decisions, interpretations or administrative actions, as well as institutional resistance, could have uncertain and unexpected consequences on the Group and Parent Company's business and operations, which, in turn, could have a material adverse effect on their financial condition.

In order to manage the legal and regulatory risks, the Parent Company has strengthened its relations with national and local Authorities and regulatory bodies, adopting a transparent and cooperative approach to address and eliminate sources of instability in legislative and regulatory framework. However, the Parent Company cannot provide any assurance that it will always be in a position to fully and timely satisfy the regulatory, environmental, financial and any other requirements imposed, which could have a significant adverse effect on the Group and Parent Company's business, financial position and operating results.

Licensing risk

The Group and the Parent Company's mining, generation, distribution and supply of electricity operations require various administrative authorizations at local, regional and national levels, that can be protracted, complex and not entirely predictable. Additionally, any failure to obtain or renew the necessary licenses and permits might result in interruptions to some of the Group and the Parent Company's operations, including their ability to obtain funding for their activities. Delays, high costs or the suspension of the Group and the Parent Company's industrial activities due to their inability to obtain, maintain, or renew authorizations, may also have a negative impact on their business activities and profitability.

For the Group's renewable energy projects any failure or delay to obtain or delay in obtaining the necessary authorizations, permits or licenses, or to enter into the procurement or construction agreements or delays in establishing the connection with the Distribution Network could materially affect the timeline for increased renewable energy generation capacity and have an adverse impact on the Group and Parent Company's business, operations, prospects, financial condition and results of operations.

-Cybersecurity and information technology risk

A large portion of the Group and Parent Company's operations is based on IT systems and they are exposed to risks such as non- availability of systems, data integrity corruption, power disruptions, malicious cyber-attacks and unauthorized access to these systems. The frequency, sophistication, success rate and magnitude of cyber-attacks against critical infrastructure organizations worldwide continued to increase during 2022 and especially since the Ukranian-Russian crisis began.

In order to minimize these risks, the Group and Parent Company take measures for the enhancement of their IT security, such as defining and continuously updating their IT security policies and standards and covering their IT systems by maintenance contracts. As a possible incident in the Company's cyber space could impact both the business continuity of the organization and the wider energy market of the country, the Parent Company treats cybersecurity as a priority corporate risk and continuously invests in safeguarding both its informational and operational technological environments. In this context, the Parent Company has completed an extended cybersecurity transformation program which has enabled the organization to integrate cybersecurity into its strategy, structure and operation, from the development of new digital products and services to the protection of personal data and information and operational systems.

The Group and Parent Company believe that they currently have adequate security policies in place to cover risks associated with the operation and maintenance of their IT infrastructure and perform regular audits of the security of their systems. However, there can be no assurances that they will be able to prevent technology failures, IT security breaches or malicious cyber-attacks in a timely manner or continue to have adequate insurance coverage to compensate for related losses (including litigation claims, liability and data loss), which could disrupt their operations or harm their reputation and have a materially adverse effect their business.

-Social pressure due to increased energy prices

The Parent Company's ability to formulate its tariffs is limited by (i) current socioeconomic conditions in Greece, (ii) the ability of its customers to cope with new tariffs and pay their bills, (iii) decisions of RAE and/or strategic initiatives of the Greek government and especially (iv) the form and the size of consumer support measures by the State. If any new proposed tariff structures are not well received and accepted by customers, changes in their ability or willingness to pay their electricity bills may be negatively impacted, which could in turn negatively affect the collectability of the Parent Company's bills.

Furthermore, a significant part of the Group and Parent Company's revenue depends on regulated charges. Such regulated charges are set by RAE and reviewed periodically every four years. The Greek government and/or RAE may decide to limit or reject increases in regulated charges or may change the conditions of access to such regulated charges. Despite having adequate visibility over RAE's changes in regulated charges with respect to RAE's changes in regulated charges, any changes in regulated charges that may affect electricity distribution revenues could have a material adverse effect on the financial position of the Group and the Parent Company, as well as hinder their ability to raise equity or loan funds to finance their investment projects.

-Financial risks

The Group's and the Parent's future operating performance and ability to generate cash from operations, to make payments on and refinance their indebtedness and to fund working capital expenditure and other expenses is affected, in large part, by general economic, competitive, legislative and regulatory factors and other factors that are beyond their control. Any refinancing of the Group and the Parent Company's indebtedness could be at higher interest rates than their current debt and it may be required to comply with more onerous financial and other covenants, which could further restrict their business operations and may have a material adverse effect on their business, financial condition, results of operations and prospects.

Implementation of Investment Plan

The Group and Parent Company have significant construction and capital investment requirements. A significant increase in the costs of or delays in executing their investment plan, occurring before and/or after capital has been committed, could have a material adverse effect on the Group and Parent Company's ability to achieve their growth targets, their business, financial condition, prospects or results of operations.

Working Capital

The Group and the Parent Company face working capital risk, due to the nature of the energy market (price volatility, customer trading behavior) which may lead to additional liquidity requirements. The Group and the Parent Company may also face, following decisions by the Regulator, increased working capital requirements in relation to their payments to and from other market operators and increased capital expenditure, that could have a significant effect on their liquidity.

Credit Risk

On the date of publication of these financial statements, the Group and the Parent Company have a credit rating of BB- with stable outlook by Standard & Poor's, BB from ICAP and BB- with a stable outlook by Fitch Ratings Inc. Their ratings reflect the respective rating agencies' opinions of their financial strength, operating performance and ability to meet their debt obligations as they become due.

Interest Rate Fluctuation

The Group and the Parent Company's debt obligations consist of bank loans, bonds and overdrafts. It is their policy to have a balanced distribution of the loan portfolio between fixed and variable interest rates according to the prevailing conditions and to hedge on a case-by-case basis through derivatives, solely to mitigate risk, against the fluctuation of floating interest. All of their indebtedness is denominated in euro.

Exchange Rate

The fluctuation of the euro against U.S. dollar exchange rate may adversely impact the prices of the Parent Company's liquid fuel purchases (diesel and heavy fuel oil) and the price of natural gas purchases. As oil prices are denominated in U.S. dollars, the Parent Company is exposed to foreign currency risk in the event of an appreciation of the U.S. dollar against the euro. In order to mitigate the foreign currency risk arising from liquid fuel purchases, the Parent Company examines the possibility of undertaking hedging transactions for this risk. There is no assurance that such undertaken hedging transactions will provide full or adequate protection against these risks.

Loan Covenants

Certain agreements governing the Group and the Parent Company's existing indebtedness contain covenants that impose restrictions on the way they can operate and require the achievement - maintenance of specific financial indicators. These covenants could limit the Group and the Parent Company's ability to finance future operations and capital needs and their ability to pursue acquisitions and other business activities that may be in their interest. The Group and the Parent Company's ability to comply with these covenants and restrictions may be affected by events beyond their control, such as prevailing economic, financial and business conditions.

-Local community reaction

The Group and Parent Company may experience local opposition, which they may not be able to overcome on a timely basis, if at all, in order to obtain the necessary licenses, permits and financing for the execution of new projects. Various groups may publicly oppose certain development projects. This opposition, along with political developments, could hinder or prevent the development of such projects, which could have an adverse effect on the Group and Parent Company's business, financial condition and results of operations.

-Risks related to the position and market share of PPC in the energy market

Over the last decade the Group and Parent Company have been subject to regulatory interventions and/or proceedings initiated by European authorities (e.g. European Commission) and/or the Greek government with respect to, among others, the reduction of the Group and Parent Company's market share in the wholesale and supply electricity market and its position as the only vertically integrated electricity producer and supplier with exclusive access to certain types of power generation, such as lignite.

Such measures or reforms, the introduction of new laws and/or regulatory mechanisms in the electricity market or other adverse changes in the competitive landscape in the supply market and/or production, may have a negative impact on results of operation and cash flows. The reduction of the Parent Company's supply market share in conjunction with the absence of conditions for effective competition and the potentially imbalanced participation of suppliers in the market may also have a negative impact on the Groups and Parent Company's results of operation and financial condition in future periods.

The European Commission has acknowledged, in Greece's increased surveillance report of November 2020, a continued downward trend of the Parent's share of electricity supply which was 55.00% in the Interconnected System on 30 June 2023. The Group and Parent Company may be made subject to further structural, financial or other measures if they were to be found to have failed in reducing the supply market share. If any such circumstance was to occur, the Group and Parent Company's financial condition could be adversely affected.

There have been several regulatory interventions with respect to Parent Company's exclusive access to lignite. As a result of Greece's conviction regarding the lignite power exclusivity (the "Anti-Trust Case"), an EU Decision was finally issued (10.9.2021), according to which a new mechanism was implemented for the next three years during which the Parent Company must obtain the position of electricity power seller position in the Forward Market of the Hellenic Energy Exchange and/or the European Energy Exchange.

The remedies will lapse when existing lignite plants stop operating at the latest, by 31 December 2024. The above remediating measures may have a material adverse effect on the financial position of the Group and the Parent Company.

In February 2017, an investigation for possible abuse of the Parent Company's position in the wholesale power market was initiated by DG Competition under Article 102 TFEU and is currently under way. There has been no definitive indication as to the timing of this investigation and there is no guarantee about the outcome of this investigation and/or the possibility of extending the scope of this investigation to other market segments. In case DG Competition decides that the Parent Company has breached competition law, then penalties and/ or remedies may be imposed on it, which may have an adverse impact on its business, financial condition and results of operations.

-Impairments, provisions and accounting assumptions risk

The Group and the Parent Company are exposed to risks that affect the value of their assets, such as in particular their receivables, fixed assets or their participation in the share capital of subsidiaries and related companies. In the future, the value of the Group's and the Parent Company's property, plant and equipment and their participation in the share capital of subsidiaries and related companies may be significantly impaired due to the early withdrawal of units, the obligation to maintain units in cold or strategic reserve without adequate compensation or the loss competitiveness due to legislative or regulatory changes or other circumstances beyond their control. In addition, changes in International Financial Reporting Standards (IFRS) or their application may significantly affect the value of their assets or liabilities.

-Insufficient compensation for the provision of Public Service Obligations

The companies of the Group and the Parent Company, which provide Public Service Obligations (PSOs) according to the definitions of no. PD5/IL/B/Φ1B/12924 of the decision of the Minister of Development "Determination of Public Service Obligations" (OG B' 1040/25.06.2007), as amended and in force, are entitled, as are all others Electricity suppliers who are obliged to provide said services, to receive compensation to cover the costs of providing these services. In accordance with the current regulatory framework, this compensation is based on the cost of providing the above PSOs borne by the service providers and is calculated according to the methodology established by RAE decisions. Possible amendments in the right to receive compensation for the existing provision obligations of PSOs or changes in the approved methodology for calculating the compensation for the provision of the above PSOs or raising of objections by the European Commission regarding the hedging measure for the provision of PSOs in the Non-Interconnected Islands for the period from 17.02.2019 onwards, in accordance with the EU rules on state aid, which may lead to under recovery of their costs or to the non-recognition of the right to receive compensation for the provision of PSOs for previous years or potential introduction of new PSOs for which may not be entitled to full recovery of the relevant costs, may have negative effects on the costs, financial position, results of operations and cash flows of the Group companies and the Parent Company.

-Risks related to the lignite phase-out process

The Group and the Parent Company may incur increased costs in relation to the decommissioning of power plants and the closure and reclamation of their mines, the rehabilitation of any damages related to the operation or their plants or mines and the decommissioning of their equipment and facilities. Since they are involved in open pit mining operations, they are required by Greek law to remediate land affected by their mining operations and, further, to have in place cash reserves for works relating to open pit mine reclamation. Furthermore, as an owner and operator of electricity generation and distribution facilities, they may incur in the future significant costs and expenses in connection with the decommissioning of such facilities, which could have a material adverse effect on the Group and the Parent Company's business, results of operations, financial condition and cash flows.

-Health and safety risks

The Group and Parent Company's operations are susceptible to industrial accidents, and employees or third parties may suffer bodily injury or death as a result of such accidents. In particular, while the Group and Parent Company believe that their equipment has been well designed and manufactured and is subject to rigorous quality and assurance control tests, and that its operation and maintenance are in compliance with applicable health and safety standards and regulation, there can be no assurance that accidents will not result during the installation maintenance and operation of this equipment.

The Parent Company takes all the necessary measures to prevent accidents, as well as measures that will limit to a minimum the effects in case of an accident. In addition, the Parent Company implements a Management System for Health and Safety at Work ISO 45001, in all its Production Units and Mines of risk category A and with a staff of more than 60 people. In this context, regular health and safety inspections, both in the workplace and the contracting staff, fire safety and evacuation drills as well as general drills where all the staff of each Infrastructure participates are carried out.

-Business interruption risk

Power plants, facilities, distribution infrastructure and the information systems controlling these facilities are subject to failure, breakdowns, unplanned outages, capacity limitations, system loss, security breaches or physical damage due to natural disasters (such as storms, floods, fires, explosions, landslides, slope ruptures or earthquakes), sabotage, terrorism, human error, strikes, catastrophic accidents, IT viruses, fuel supply interruptions, problems in the transmission and distribution networks of electric energy of natural gas, criminal acts, wars and other catastrophic events.

The occurrence of any of the above is likely to shut down the operation of electricity generation or distribution infrastructure, in the Interconnected System or the Non-Interconnected Islands, which may have a direct adverse impact on the profitability of the Group and Parent Company's activities, as a loss of revenue, high remediation cost and/or obligation to indemnify third parties.

-Environmental risks

The nature of the activities of the Group and the Parent Company may affect the natural and man-made environment of their installation/operation area and are thus subject to environmental licensing. Decisions Approving Environmental Conditions (DAEC) are issued by the competent public authorities, are renewed or amended periodically and contain conditions for the systematic monitoring of their observance.

In addition, technological and scientific advancements bring changes in the legislative and regulatory framework and, therefore, impose the technical adaptation of the power generation infrastructure to them and affect the strategic, business and financial planning of the Group and the Parent Company. Compliance with environmental legislation may burden the Group and the Parent Company with additional costs, especially when it is necessary to implement preventive or remedial measures. In some cases, environmental reasons may require the limitation or even termination of existing activities or projects. In addition, in the normal course of carrying out their business activity, the Group and the Parent Company are exposed to legal disputes with an environmental starting point.

Non-compliance with the legislative and regulatory environmental framework or non-compliance with the conditions of environmental licenses entails the imposition of administrative sanctions (which can range from the imposition of a monetary fine to the revocation of the license to operate a power generation infrastructure), the raising of civil claims and the attribution of criminal liability to the Group and Parent Company and expose them to negative publicity and significant damage to their reputation.

-Transformation risks

The Group and the Parent Company have committed to implement one of the largest investment plans in Greece, including investments in RES with a total capacity of approximately 10.0 GW. The Group and Parent Company expect to finance a substantial part of these capital investments out of the cash flows from operating activities as well as the increase of the Parent Company's Share Capital in 2021. However, if these sources are insufficient, additional external sources of funding may need to be sought. Although the Group and Parent Company have entered into long-term financing agreements for major projects and, historically, the European Investment Bank has financed a major part of generation and Distribution Network projects, no assurance can be given that they will be able to raise the financing required for the planned capital investments on acceptable terms or at all. In such a case, they may have to reduce their planned capital investments.

The Group and Parent Company face risks that are associated with expanding their operations, integrating newly acquired subsidiaries or participating in joint venture projects where they have granted protective rights to minority shareholders or which they do not manage or otherwise control. Acquisitions and participations in joint ventures may subject them to liabilities of which they are unaware of or have not correctly assessed or against which they have not obtained full legal protection. While the Group and Parent Company intend to undertake due diligence reviews in relation to acquisitions and joint ventures, such reviews may not reveal all existing or potential risks and liabilities. In addition, as a result of the above acquisitions, mergers and participations, a new business structure will emerge, with an expanded scope of work compared to the past, the effective management of which will require the transformation of the current administrative structures, corporate governance processes, business processes (e.g. procurement processes, customer management, etc.) and information systems, which has significant financial and human capital requirements.

In order to maintain and expand the Group and Parent Company's business, they need to train, retain and recruit executive management and qualified technical personnel. In cases where employees, with specialized skills and experience, leave the Group and the Parent Company, they may have difficulty in replacing them. Any difficulties in retaining or recruiting a sufficient number of experienced, capable and reliable personnel with appropriate professional qualifications, especially in senior and middle management positions, or in finding qualified professional and technical staff, could limit or delay efforts to develop and affect the business activities of the Group and the Parent Company.

Sustainability targets and obligations:

Group and Parent Company's strategy is in line with the European Union's and Greece's ambitious medium- and long-term objectives for climate neutrality by 2050, including the new and most immediate target for reducing greenhouse gas ("GHG") emissions and increasing RES capacity and use by 2030. To this end, the Group and Parent Company support the "Green Deal" in power generation, via the acceleration of the decommissioning of all their lignite units and respective mines, expanding and establishing RES as their dominant energy generation technology and assisting in the advancement of electromobility in Greece.

Although, the Group and Parent Company target increasing the proportion of their total installed capacity generated by renewable sources and intend to satisfy the Sustainability Performance Target in respect of the year ended 31 December 2023, there can be no assurance of the extent to which the will be successful in doing so or that any future investments they make in furtherance of this target will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance. Adverse environmental or social impacts may occur during the design, construction and operation of any investments the Group and Parent Company make in furtherance of this target or such investments may be criticized by activist groups or other stakeholders, which may cause harm to their reputation.

In addition, meeting the Group and Parent Company's sustainability targets may limit the options available to them operationally and commercially, as not all potential courses of action in relation to investments and business opportunities will be in alignment with such targets.

If the Group and Parent Company fail to meet their sustainability targets, which may coincide with regulatory requirements, they may be exposed to sanctions, it may harm their relationship with their existing shareholders and bondholders, as well as discourage new investors, customers and potential business partners. Moreover, given that an increasing number of financiers incorporate sustainability-linked requirements in their financing arrangements, the Group and Parent Company's inability or failure to meet such requirements could make it more difficult for them to obtain financing on favourable terms or trigger contingent obligations in any such financing arrangement, which they may enter into in the future.

In light of the above, being subject to sustainability-related obligations may carry consequences, which could, have an impact on the Group and Parent Company's business, financial position and results of operations.

-Climate change risk

Climate change and the societal and political response to it may have a significant impact on the Group and Parent Company's activities. According to the guidance issued by the "Task Force on Climate-related Financial Disclosures" (TCFD), the Group and Parent Company classify climate-related risks into two major categories: risks related to the transition to a lower-carbon economy and risks related to the physical impacts of climate change.

Risks related to the transition to a net-zero GHG emission economy include risks related to the adoption of strategies and decisions to prevent and mitigate the effect of climate change (such as the introduction of regulatory incentives and penalties, carbon pricing systems, energy efficiency solutions and low carbon products and services). The implementation of policies to promote carbon reduction may significantly impact the operations and value of the Group's thermal plants. While the Group is actively implementing its decarbonization strategy and the adjustment, in scientific terms, with the target of the Paris Treaty (1.5˚C temperature increase compared to pre-industrial levels), the Group remains dependent on its conventional generation units for the bulk of its electricity production. If the Group and Parent Company are not successful in the rollout of their renewable pipeline, which is included in their portfolio, they will face challenges from the anticipated hostile regulatory environment and strong competition from greener and more modern electricity producers.

Risks related to the physical impacts of climate change include risks that are triggered by changes in mean temperatures, changes in wind, rainfall and solar radiation patterns as well as increase of the sea level. The extreme weather events caused by climate change could also significantly affect the consumption of energy, the conventional and renewable generation, as well as the resilience and performance of the Distribution Network.

The revenues of the Group and the Parent Company reflect the seasonality of electricity demand and may be adversely affected by significant fluctuations in climatic conditions. In addition, changes in hydrological conditions may lead the Group and the Parent Company to make up for the reduced electricity produced by their hydroelectric plants, especially during periods of increased demand, by using other means of energy production at a higher cost or by resorting to the wholesale market at higher prices.

While the Group and Parent Company follow and regularly assess such risks and their response to them at both management and Board of Directors level, they may not be able to predict, mitigate or adapt to the medium or long-term physical changes associated with some climate change risks.

-Legal and regulatory risks

General Data Protection Regulation

The General Data Protection Regulation ("GDPR") implements stringent operational requirements for processors and controllers of personal data. The Group and the Parent Company operate in an sector in which they process a considerable amount of personal data and therefore are inevitably exposed to the risk of non-compliance. Any inability to adequately address data protection and/or privacy concerns, even if unfounded, or comply with applicable privacy or data protection laws, regulations and policies, could result in additional cost and liability to the Group and the Parent Company, damage their reputation, and adversely affect their business.

Litigation risk

The Group and the Parent Company are defendants in a significant number of legal proceedings arising from their operations which, if determined unfavorably, could have a material adverse effect on their business, financial position and results, or reputation. In addition, the Group and the Parent Company are one of the largest listed industrial groups in Greece, with complex activities and operations across the country in heavily regulated industry sectors. Violations of such legislations, including rules and regulations of regulatory authorities, entail, among others, administrative fines and criminal sanctions for the Board of Directors, employees and utilities that are subject to those rules.

-Counterparty risk

The Group and Parent Company are exposed to the risk that counterparties that owe them financial instruments, energy or other commodities as a result of market transactions will not fulfil their obligations. The Group and Parent Company also face the risk of potential default or delay by their counterparties, which include their partners, contractors, subcontractors and suppliers.

Furthermore, the Parent Company may experience difficulties or delays in collecting outstanding debt from Low, Medium and High Voltage customers. The inability of customers to pay in full and timely amounts billed in relation to their electricity consumption, the increased availability of competitors' offers, or the outcome of negotiations with Medium and High Voltage industrial customers in key economic sectors in Greece on financial and other terms for extending their contracts, may have an adverse effect on the Group and Parent Company's business, financial condition and results of operations.

Any default by their counterparties may affect Group and Parent Company's financial results, the cost and completion of their projects, the quality of their services, or expose them to reputational risk, business continuity risk and the risk of loss of important contracts, as well as to substantial additional costs, particularly in cases where they would have to pay contractual penalties, to enter into alternative hedging arrangements or honor the underlying commitment at then-current market prices, to find alternative counterparties or complete the respective projects by their own means.

-Asset protection risks

The Group and the Parent Company have an extensive network of facilities (mining facilities, power plants, distribution infrastructure, administrative buildings), that cover a large area and are geographically dispersed. The Group and Parent Company's physical assets are vulnerable to a range of threats such as theft, vandalism, security breaches, sabotage and terrorism. The above threats can lead to significant financial losses as well as risks to the safety and operation of the Group and the Parent Company. The Parent Company implements a comprehensive physical security program that includes relevant policies and procedures, monitoring systems, regularly trained security personnel, and emergency response procedures to minimize the risk of loss or damage to its physical assets.

-Risk from potential undertaking of social security liabilities

Despite the fact that the Group and the Parent Company estimate that they have no obligation under existing laws to cover any potential future differences between the total income of EFKA and the payment obligations assumed by the Hellenic State relating to the Group and the Parent Company's retired personnel, there can be no assurance that the existing social security laws will not change, or that the Group and the Parent Company will not be required in the future, by law or otherwise, to contribute or provide significant additional funds or assets to EFKA.

H2 2023 OUTLOOK

For the Second Half of 2023, the Company expects that the prices of natural gas and CO_2 emission rights will remain at the same level compared to those in the First Half of the year. As far as the purchase cost of electricity from the wholesale electricity market, it is expected to be at the same level compared to the one of the First Half of 2023, recording a slightly increasing trend towards the last quarter of the year. Therefore, no significant fluctuations are expected to occur to the Company's and the Group's operating profitability, and it is estimated that the targets set by the Management for the year 2023 will be achieved.

The Company has started updating its Business Plan, with a view to complete it in the coming months.

BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The Parent Company's balances with its subsidiaries as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023		December 31, 2022	
	Amounts in '000€		Amounts in '000€	
	Receivables	(Payables)	Receivables	(Payables)
Subsidiaries				
PPC RENEWABLES S.M.S.A.	2,539	(116)	2,879	(92)
HEDNO S.A.	252,651	(348,254)	140,193	(248,802)
SOLAR PARKS WESTERN MAKEDONIA ONE S.M.S.A.	12	-	5	-
SOLAR PARKS WESTERN MAKEDONIA TWO S.M.S.A..	12	-	5	-
SOLAR ARROW ONE S.M.S.A.	176	-	51	-
ARKADIAN SUN ONE S.M.S.A.	26	-	7	-
ARKADIAN SUN TWO S.M.S.A.	7	-	2	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS		(115)		
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	1	(259)	-	-
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	-	(26)	-	-
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	37	-	-	-
CARGE S.A.	966	-	711	-
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	37,913	-	-	-
PPC FINANCE PLC	-	(124)	-	(118)
PPC ELEKTRIK TEDARIK VE TICARET A.S.	86	-	151	-
PPC BULGARIA JSCo	-	-	-	-
PPC ALBANIA	-	(18)	4	-
EDS AD Skopje	37,341	(604)	54,115	-
EDS DOO Belgrade	461	-		
EDS INTERNATIONAL SK SRO	-	(913)	-	-
Total	**332,228**	**(350,429)**	**198,123**	**(249,012)**

Parent Company's transactions with its subsidiaries for the period ended June 30, 2023 and June 30, 2022, respectively, are as follows:

	June 30, 2023		June 30, 2022	
	Amounts in '000 €		Amounts in '000 €	
	Income	Expenses	Income	Expenses
Subsidiaries				
PPC RENEWABLES S.M.S.A.	2,565	(665)	2,164	(1,517)
HEDNO S.A.	620,529	(710,267)	388,445	(625,111)
LIGNITIKI MEGALOPOLIS S.A.	-	-	52,002	(363)
LIGNITIKI MELITIS S.A.	-	-	31,647	-
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	16	-	16	-
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	15	-	15	-
SOLAR ARROW ONE S.M.S.A.	254	-	232	-
ARKADIAN SUN ONE S.M.S.A.	37	-	32	-
ARKADIAN SUN TWO S.M.S.A.	10	-	8	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	2	(619)		
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	11	(2,648)		
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	-	(79)		
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	30	-		
PPC FINANCE PLC	5	-	-	-
PPC ELEKTRIK TEDARIK VE TICARET A.S.	-	(65)	-	(103)
PPC BULGARIA JSCo	-	-	1	-
PPC ALBANIA	-	(108)		
EDS AD Skopje	993	(4,070)	18,582	(1,555)
EDS DOO Belgrade	461	-		
EDS INTERNATIONAL SK SRO	8,331	-		
Total	**633,259**	**(718,521)**	**493,144**	**(628,649)**

Due to the absorption of the lignite subsidiaries by the Parent Company on June 1, 2022 (Note 6.1), the provision for expected credit losses for the trade receivables of the lignite subsidiaries of € 29.7 million as of June 1, 2022 were reversed (income) in favor of the results of the period ended as of June 30, 2022. This reversal was included in "Provision for expected credit losses" in the Income Statement of the Parent Company for the period ended on June 30, 2022.

Guaranties in favor of subsidiaries/associates

As of 30.06.2023, the Parent Company has provided a guarantee to its subsidiary PPC RENEWABLES S.M.S.A. for a total credit line of up to € 8.0 million, through overdraft facilities, out of which an amount of € 418 thousands has been used relating to letters of guarantee.

As of 30.06.2023, the Parent Company is a guarantor in loans of the subsidiary company EDS AD Skopje for working capital of € 32 million, of which € 4.4 million has been used to issue letters of guarantee.

As of 30.06.2023, the Parent Company has issued letters of guarantee on Producer Licenses verification for Wind Parks of a total amount € 137.9 million on behalf of PPC RENEWABLES S.M.S.A.

On February 21, 2022, bank deposits of €21 million the Parent Company were pledged on behalf of a loan of the subsidiary EDS.

The Parent Company has issued letters of guarantee amounting to €2.35 million, €1.81 million and €0.69 million in favor of the associate companies AMYNTEO SOLAR PARK EIGHT SINGLE MEMBER S.A., AMYNTEO SOLAR PARK SEVEN SINGLE MEMBER S.A. and AMYNTEO SOLAR PARK FOUR SINGLE MEMBER S.A. in the framework of the 15-year power purchase agreements with financial settlement signed between the parties on June 2, 2023. These contracts will be in effect in a future date when certain conditions will be met. The above guarantees are valid until June 6, 2024 and will be further renewed following the terms of the power purchase agreements

Significant transactions and balances with other companies into which the Greek State participates

The following table presents transactions and balances with companies HELLENiQ ENERGY Holdings S.A. and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively, and into which the Greek State participates. Additionally, transactions and balances with DAPEEP S.A., HEnEx S.A., ENEXCLEAR S.A., IPTO S.A., and LARCO S.A. are presented. The below tables include also accrued receivables and payables and accrued income and expenses.

	1.1.2023 – 30.06.2023 Amounts in '000€		**1.1.2022 – 30.06.2022 Amounts in '000€**	
	Income	**Expenses**	**Income**	**Expenses**
HELLENiQ ENERGY Holdings S.A.	-	(59,280)	-	(130,253)
DEPA S.A.	-	(160,487)	-	(522,277)
DAPEEP S.A.	2,042,698	(133,058)	74,764	(187,115)
HEnEx S.A.	-	(1,762)	-	(1,421)
IPTO S.A.	342	(88,051)	380	(34,754)
ENEXCLEAR S.A.	1,268,330	(2,267,229)	2,702,462	(4,527,596)
LARCO S.A.	985	-	13,234	-

	June 30, 2023 Amounts in '000€		**December 31, 2022 Amounts in '000€**	
	Receivables	**(Payables)**	**Receivables**	**(Payables)**
HELLENiQ ENERGY Holdings S.A.	-	(33,955)	-	(88,134)
DEPA S.A.	-	(23,571)	-	(119,977)
DAPEEP S.A.	564,674	(47,691)	474,910	(59,134)
HEnEx S.A.	-	(8)	-	(7)
IPTO S.A.	14,619	(13,145)	14,625	(18,629)
ENEXCLEAR S.A.	10,557	(21,263)	43,693	(61,345)
LARCO S.A.	358,995	-	367,542	-

PPC's total receivables from LARCO S.A are fully covered by a provision for expected credit losses.

In addition to the above-mentioned transactions, PPC enters into commercial transactions with many state-owned entities, both profit and non for profit, within its normal course of business (sale of electricity, services received, etc.). All transactions with state-owned entities are performed at arm's length terms and are not disclosed, with the exception of transactions that the Group and the Parent Company enter into with the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) and the companies in which HCAP S.A. participates.

The Group's and the Parent Company's balances as of June 30, 2023 and December 31, 2022 with HCAP S.A. and the companies, in which HCAP S.A. participates, are presented below:

	GROUP		COMPANY	
	June 30, 2023		June 30, 2023	
	Amounts in '000		Amounts in '000	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	1,292	-	1,265	-
ELTA S.A.	821	(3,572)	-	(3,485)
ELTA COURIER S.A.	1	(64)	-	(16)
EYDAP S.A.	5,939	(49)	5,939	(3)
ETVA INDUSTRIAL PARKS S.A.	450	(18)	450	(16)
THESSALONIKI INTERNATIONAL FAIR S.A.	138	(4)	138	(4)
ODIKES SYNGKOINONIES S.A.	14,473	-	14,473	-
PUBLIC PROPERTIES COMPANY S.A.	6,845	-	6,845	-
URBAN RAIL TRANSPORT S.A.	28,178	-	28,178	-
C.M.F.O. S.A.	168	-	168	-
O.A.S.A. S.A.	12	-	12	-
CENTRAL THESSALONIKI MARKET S.A.	1	-	1	-
E.Y.A.TH. S.A.	3,851	-	3,850	-
HELLENIC SALTWORKS S.A.	4	-	4	-
MANAGEMENT INDUSTR.PARK KASTORIA	1	-	1	-
GEA OSE S.A.	11	-	2	-
AEDIK	6	-	6	-
TOTAL	**62,191**	**(3,707)**	**61,332**	**(3,524)**

	GROUP		COMPANY	
	December 31, 2022		December 31, 2022	
	Amounts in '000		Amounts in '000	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	1,683	(11)	1,642	(11)
ELTA S.A.	983	(3,148)	-	(3,041)
ELTA COURIER S.A.	2	(343)	2	(293)
EYDAP S.A.	10,843	(54)	10,843	(12)
ETVA INDUSTRIAL PARKS S.A.	803	(27)	803	(21)
ODIKES SYNGKOINONIES S.A.	10,311	-	10,311	-
PUBLIC PROPERTIES COMPANY S.A.	6,699	-	6,699	-
URBAN RAIL TRANSPORT S.A.	19,224	-	19,224	-
C.M.F.O. S.A.	137	-	137	-
O.A.S.A. S.A.	5	-	5	-
E.Y.A.TH. S.A.	7,029	-	7,028	-
GEA OSE S.A.	2	(1)	-	-
AEDIK	7	-	7	-
HELLENIC SALTWORKS S.A.	-	(1)	-	(1)
TOTAL	**57,728**	**(3,585)**	**56,701**	**(3,379)**

The Group's and the Parent Company's transactions with HCAP S.A. and the companies, in which HCAP S.A. participates, for the six-month periods ended on June 30, 2023 and June 30, 2022 are presented below:

	GROUP 1.1.2023 – 30.06.2023 Amounts in '000 €		COMPANY 1.1.2023 – 30.06.2023 Amounts in '000 €	
	Income	**Expenses**	**Income**	**Expenses**
HCAP S.A.	10	-	10	-
ATHENS INTERNATIONAL AIRPORT S.A.	342	-	247	-
ELTA S.A.	2,256	(5,666)	3	(5,645)
ELTA COURIER S.A.	3	(42)	3	(37)
EYDAP S.A.	21,565	(71)	21,551	(49)
ETVA INDUSTRIAL PARKS S.A.	1,034	(20)	1,034	(13)
THESSALONIKI INTERNATIONAL FAIR S.A.	796	(3)	796	(3)
ODIKES SYNGKOINONIES S.A.	3,649	(3)	3,649	-
PUBLIC PROPERTIES COMPANY S.A.	1,762	-	1,762	-
URBAN RAIL TRANSPORT S.A.	27,030	(1)	17,030	-
C.M.F.O. S.A.	1,218	-	1,218	-
O.A.S.A. S.A.	69	-	69	-
THESSALONIKI CENTRAL MARKET S.A.	108	-	108	-
CASINO PARNITHA	3	-	3	-
E.Y.A.TH. S.A.	14,753	(4)	14,744	-
HELLENIC SALTWORKS S.A.	107	-	107	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	3	-	3	-
GAIAOSE S.A.	13	-	13	-
A.E.DI.K.	17	-	17	-
Total	**74,738**	**(5,810)**	**62,367**	**(5,747)**

	GROUP 1.1.2022 – 30.06.2022 Amounts in '000 €		COMPANY 1.1.2022 – 30.06.2022 Amounts in '000 €	
	Income	**Expenses**	**Income**	**Expenses**
HCAP S.A.	15	-	15	-
ATHENS INTERNATIONAL AIRPORT S.A.	1,181	(8)	1,070	(8)
ELTA S.A.	3,516	(6,605)	4	(5,818)
ELTA COURIER S.A.	11	(135)	11	(116)
EYDAP S.A.	22,333	(118)	22,276	(97)
ETVA INDUSTRIAL PARKS S.A.	1,212	(19)	1,212	(18)
THESSALONIKI INTERNATIONAL FAIR S.A.	947	(40)	947	(40)
ODIKES SYNGKOINONIES S.A.	4,264	(6)	4,264	-
PUBLIC PROPERTIES COMPANY S.A.	2,138	-	2,138	-
URBAN RAIL TRANSPORT S.A.	27,167	-	27,167	-
C.M.F.O. S.A.	1,289	-	1,289	-
O.A.S.A. S.A.	46	-	46	-
E.Y.A.TH. S.A.	15,850	(2)	15,849	-
HELLENIC SALTWORKS S.A.	138	-	138	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	4	-	4	-
GAIAOSE S.A.	17	-	17	-
A.E.DI.K.	19	-	19	-
ΣΥΝΟΛΟ	**80,147**	**(6,933)**	**76,466**	**(6,097)**

Management remuneration

Management remuneration (Board of Directors' members and General Managers) for the six-month period ended on June 30, 2023 and June 30, 2022 is as follows:

	GROUP Amounts in '000 €		COMPANY Amounts in '000 €	
	30.06.2023	**30.06.2022**	**30.06.2023**	**30.06.2022**
Remuneration of the Board of Directors' members				
- Remuneration of executive members	581	446	399	235
- Remuneration of non-executive members	183	135	-	-
-Compensation / Extraordinary fees / Other Benefits	452	137	452	103
- Employer's Social Contributions	121	110	65	43
	1,337	**828**	**916**	**381**
Remuneration of the Deputy Chief Executive Officers and General Managers				
- Regular remuneration	1,164	1,188	779	777
- Employer's Social Contributions	198	180	149	129
-Compensation / Extraordinary fees	966	-	966	-
	2,328	**1,368**	**1,894**	**906**
Total	**3,665**	**2,196**	**2,810**	**1,287**

Remuneration to members of the Board of Directors does not include standard salaries and employer's social contribution, relating to the representatives of employees that participate in the Parent Company's Board of Directors. Also, it does not include the benefit of electricity supply based on the PPC personnel tariff to the executive members of the Board of Directors, the Deputy Chief Executive Officers and the General Managers.

Moreover, an additional incentive has been approved, to be provided in the form of equity settled stock awards. As to date, the key Efficiency Ratios for this benefit have not been defined and as such it is not possible, at present, to determine the fair value of the free shares right of stock awards.

APENDIX

Definitions and reconciliations of Alternative Performance Measures (“APMs”)

ALTERNATIVE PERFORMANCE MEASURES (“APMs”)

The Group and the Parent Company use Alternative Performance Measures («APMs") in taking decisions concerning the financial, operational and strategic planning, as well as for the evaluation and publication of their performance. These APMs serve to better understand the Group’s and the Parent Company’s financial and operating results, their financial position and cash flows. Alternative indicators (APMs) should always be read in conjunction with the financial results that have been prepared in accordance with IFRS and in no way replace them.

Alternative Performance Measures (“APMs”)

In assessing the Group’s and the Parent Company’s performance, “adjusted” measures are used such as: EBITDA Recurring without one off effects and EBITDA Recurring margin % without one off effects as well as Profit / (Loss) without one-off effects. These adjusted measures are calculated by deducting from performance measures directly derived from amounts of the annual or interim Financial Statement the effect and costs arising from events which have occurred during the reporting period and which have not affected the amounts of previous periods.

EBITDA (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes).

EBITDA serves to better analyze the Group’s and the Parent Company’s operating results of and is calculated as follows: Total turnover less total operating expenses before depreciation and impairment. EBITDA margin (%) is calculated by dividing EBITDA by total turnover. Calculation of EBITDA and EBITDA margin is presented in Table A.

Operating Expenditure before tax, depreciation, amortization and impairment, net financial expenses, profit / (loss) from the sale of subsidiaries or associates and taxes excluding one off effects

This measure is calculated by subtracting the one-off effects mentioned in the EBITDA Recurring note below, from the line “Operating expenses before depreciation and impairment” of the EBITDA measure. It is presented on Table B.

EBITDA Recurring (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes, excluding one-off effects).

EBITDA Recurring serves to better analyze the Group's and the Parent Company’s operating results excluding the impact of one-off effects. For the six-month period ended 30.06.2022 there were no one-off figures affecting EDITDA Recurring. For the six-month period ending on 30.06.2023, the non-recurring impact that affected Recurring EBITDA was the provision for allowance for employees’ severance payments of €11,416 thousands (negative impact) for the Group and €2,152 thousands (negative impact) for the Parent Company. EBITDA Recurring Margin (%) is measured by dividing EBITDA Recurring by Total Turnover Recurring. EBITDA Recurring and EBITDA Recurring margin are presented in Table C.

EBIT (Operating Income before net financial expenses and taxes)

EBIT serves to better analyze the Group's and the Parent Company's operating results and is calculated as follows: EBITDA (Operating Income before depreciation and impairment, net financial expenses and taxes) less depreciation and impairment. EBIT margin (%) is calculated by dividing EBIT with total turnover. Calculation of EBIT and EBIT margin is presented in Table D.

Net amount of Depreciation and amortization, Financial Expense and Profit from Subsidiaries and Associates.

This Index is calculated as the net amount of the depreciation expense, net financial expenses and profits/ (losses) from the Group's subsidiaries and Parent Company's associates. The detailed calculation is presented in Table E.

Net Debt

Net debt is an APM that Management uses to evaluate the Group's and the Parent Company's capital structure of as well as leverage. Net debt is calculated by adding long-term loans, the current portion of long-term loans and short term loans and subtracting from the total, cash and cash equivalents, restricted cash related to loan agreements and financial assets measured at fair value through other comprehensive income and finally adding the unamortized portion of borrowing costs. Calculation of Net Debt is presented in Table F.

I

TABLE A - EBITDA (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes)				
Amounts in '000€				
	Group			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
Total Turnover (1)	**3,581,994**	**4,392,286**	**1,589,173**	**2,144,945**
Less:				
Operating expenses before depreciation and impairment (2)	3,003,744	3,963,007	1,291,452	1,885,708
Payroll cost	370,852	350,761	190,331	173,897
Lignite	(6,248)	(4,673)	(14,036)	(17,228)
Liquid Fuels	294,708	326,545	152,393	170,541
Natural Gas	354,730	678,313	140,453	254,467
Energy purchases	1,088,321	1,745,758	367,720	937,571
Materials and consumables	49,812	58,914	29,496	35,570
Transmission system usage	83,398	68,077	41,713	34,882
Distribution system usage	-	-	-	-
Utilities and maintenance	113,132	94,169	63,041	48,788
Third party fees	104,952	70,287	59,400	39,737
CO_2 emission rights	394,468	476,751	163,937	176,764
Risk allowances	7,071	(17,771)	2,973	(8,480)
Provisions for impairment of materials	2,862	2,177	2,010	(1,397)
Provisions for bad debt	81,490	82,615	47,390	36,720
Other Losses / (Gains) Net	64,196	31,084	44,631	3,876
EBITDA (A) = [(1) - (2)]	**578,250**	**429,279**	**297,721**	**259,237**
EBITDA MARGIN [(A) / (1)]	**16.1%**	**9.8%**	**18.7%**	**12.1%**

TABLE A - EBITDA (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes)				
Amounts in ‘000€				
	Company			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
Total Turnover (1)	**3,348,662**	**4,203,257**	**1,458,687**	**2,144,945**
Less:				
Operating expenses before depreciation and impairment (2)	2,983,867	3,962,194	1,283,262	1,851,736
Payroll cost	237,777	197,279	119,133	173,897
Lignite	(6,248)	(6,231)	(14,036)	(17,228)
Liquid Fuels	294,708	323,447	152,393	170,541
Natural Gas	354,730	678,313	140,453	254,467
Energy purchases	1,091,078	1,903,482	366,902	937,571
Materials and consumables	34,842	43,984	20,489	35,570
Transmission system usage	83,398	68,077	41,713	34,882
Distribution system usage	233,658	223,682	131,295	-
Utilities and maintenance	71,890	55,494	42,466	48,788
Third party fees	65,227	42,086	37,691	39,737
CO_2 emission rights	394,468	403,061	163,937	176,764
Risk allowances	8,669	(11,756)	4,571	(8,480)
Provisions for impairment of materials	2,568	1,124	1,809	(1,397)
Provisions for bad debt	81,365	36,590	47,309	36,720
Other Losses / (Gains) Net	35,737	3,562	27,137	3,876
EBITDA (A) = [(1) - (2)]	**364,795**	**241,063**	**175,425**	**259,237**
EBITDA MARGIN [(A) / (1)]	**10.9%**	**5.7%**	**12.0%**	**12.1%**

TABLE B - Operating Expenditure before tax, depreciation, amortization and impairment, total net financial expenses profit/(loss) affiliated companies excluding one-off effects				
Amounts in '000€				
	Group			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
Operating expenses before depreciation and impairment (2)	**3,003,744**	**3,963,007**	**1,291,452**	**1,885,708**
Less:				
Provision for allowance for employees' severance payments	11,416	-	11,416	-
Operating expenses before depreciation and impairment without one-off effects	**2,992,328**	**3,963,007**	**1,280,036**	**1,885,708**

TABLE B - Operating Expenditure before tax, depreciation, amortization and impairment, total net financial expenses profit/(loss) affiliated companies excluding one-off effects				
Amounts in '000€				
	Company			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
Operating expenses before depreciation and impairment (2)	**2,983,867**	**3,962,194**	**1,283,262**	**1,851,736**
Less:				
Provision for allowance for employees' severance payments	2,152	-	2,152	-
Operating expenses before depreciation and impairment without one-off effects	**2,981,715**	**3,962,194**	**1,281,110**	**1,851,736**

TABLE C - EBITDA Recurring (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes excluding one-off effects)				
Amounts in ‘000€				
	Group			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
EBITDA (1)	**578,250**	**429,279**	**297,721**	**259,237**
Plus one-of effects (2):	**11,416**	**-**	**11,416**	**-**
Provision for allowance for employees’ severance	11,416	-	11,416	-
EBITDA Recurring excluding one-off effects (3) = [(1)+(2)]	**589,666**	**429,279**	**309,137**	**259,237**
Total Turnover (4)	**3,581,994**	**4,392,286**	**1,589,173**	**2,144,945**
EBITDA Recurring margin excluding one-off effects (3)/(4)	**16.5%**	**9.8%**	**19.5%**	**12.1%**

TABLE C - EBITDA Recurring (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes excluding one-off effects)				
Amounts in ‘000€				
	Company			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
EBITDA (1)	**364,795**	**241,063**	**175,425**	**193,622**
Plus one-of effects (2):	**2,152**	**-**	**2,152**	**-**
Provision for allowance for employees’ severance	2,152	-	2,152	-
EBITDA Recurring excluding one-off effects (3) = [(1)+(2)]	**366,947**	**241,063**	**177,577**	**193,622**
Total Turnover (4)	**3,348,662**	**4,203,257**	**1,458,687**	**2,045,358**
EBITDA Recurring margin excluding one-off effects (3)/(4)	**11.0%**	**5.7%**	**12.2%**	**9.5%**

Table D - EBIT (Operating Income before net financial expenses and taxes)				
Amounts in '000€				
	Group			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
EBITDA	**578,250**	**429,279**	**297,721**	**259,237**
Less:				
Depreciation and Amortization	306,991	333,256	153,439	167,256
Impairment loss on assets	5,353	2,749	5,353	1,836
EBIT (A)	**265,906**	**93,274**	**138,929**	**90,145**
Total turnover (1)	**3,581,994**	**4,392,286**	**1,589,173**	**2,144,945**
EBIT MARGIN [(A) / (1)]	**7.4%**	**2.1%**	**8.7%**	**4.2%**

Table D - EBIT (Operating Income before net financial expenses and taxes)				
Amounts in '000€				
	Company			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
EBITDA	**364,795**	**241,063**	**175,425**	**193,622**
Less:				
Depreciation and Amortization	137,628	164,148	69,275	83,392
Impairment loss on assets	5,353	2,749	5,353	1,836
EBIT (A)	**221,814**	**74,166**	**100,797**	**108,394**
Total turnover (1)	**3,348,662**	**4,203,257**	**1,458,687**	**2,045,358**
EBIT MARGIN [(A) / (1)]	**6.6%**	**1.8%**	**6.9%**	**5.4%**

Table E - Net amount of Depreciation, Financial Expense and Profit / (Loss) from Subsidiaries and Associates				
Amounts in ‘000€				
	Group			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
Depreciation Net Financial Expense and Profit / (Loss) from Associates	**434,871**	**424,655**	**227,599**	**225,265**
Depreciation and Amortization	306,991	333,256	153,439	167,256
Financial expense	192,801	171,471	108,510	90,897
Financial income	(60,074)	(21,042)	(33,609)	(13,390)
Net (profit)/loss from associates	5	(60,753)	71	(20,728)
Net loss/(profit) from FX differences	(4,852)	1,723	(812)	1,230

Table E - Net amount of Depreciation, Financial Expense and Profit / (Loss) from Subsidiaries and Associates				
Amounts in ‘000€				
	Company			
	01.01-30.06.2023	**01.01-30.06.2022**	**01.04-30.06.2023**	**01.04-30.06.2022**
Depreciation Net Financial Expense and Profit / (Loss) from Associates	**190,681**	**245,076**	**85,755**	**102,793**
Depreciation and Amortization	137,628	164,148	69,275	83,392
Financial expense	156,414	143,372	90,100	74,653
Financial income	(98,567)	(64,061)	(73,026)	(56,540)
Net (profit)/loss from associates	-	-	-	-
Net loss/(profit) from FX differences	(4,794)	1,617	(594)	1,288

TABLE F – NET DEBT						
Amounts in '000€		**Group**			**Company**	
	30.06.2023	**31.12.2022**	**30.06.2022**	**30.06.2023**	**31.12.2022**	**30.06.2022**
Long-term borrowing	3,829,605	3,822,907	3,927,296	2,307,645	2,496,509	2,614,632
Current portion of long-term borrowing	682,492	591,894	328,322	357,926	357,662	172,227
Short-term borrowing	131,002	108,333	139,275	75,000	50,000	120,000
Cash and cash equivalents	(2,431,733)	(3,159,484)	(2,196,992)	(2,110,958)	(2,760,552)	(1,754,379)
Restricted cash	(105,113)	(50,843)	(34,717)	(19,129)	(23,008)	(23,008)
Financial assets measured at fair value through other comprehensive income	(345)	(330)	(324)	(344)	(329)	(323)
Unamortized portion of borrowing costs	70,871	75,666	82,234	66,218	74,017	81,129
TOTAL	**2,176,779**	**1,388,143**	**2,245,094**	**676,358**	**194,299**	**1,210,278**

Athens, August 3rd, 2023

For the Board of Directors

The President and CEO — The Vice-President

Georgios I. Stassis — Pyrros D. Papadimitriou

III. CERTIFIED AUDITORS' ACCOUNTANTS' REVIEW REPORT

ERNST & YOUNG (HELLAS)
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THIS REPORT IS A FREE TRANSLATION OF THE GREEK ORIGINAL

Independent auditor's review report

To the Board of Directors of Public Power Corporation S.A.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of Public Power Corporation S.A. as at 30 June 2023, and the related condensed separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim condensed financial information, which form an integral part of the six-month financial report of Law 3556/2007.

Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as endorsed by the European Union and applied to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing as incorporated in Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal and regulatory requirements

Our review has not identified any material inconsistency or error in the declarations of the members of Board of Directors and the information contained in the six-month report of the Board of Directors prepared in accordance with article 5 and 5a of Law 3556/2007, compared to the accompanying interim condensed separate and consolidated financial information.

Maroussi, 3 August 2023

IOANNIS PIERROS
CERTIFIED AUDITOR ACCOUNTANT
S.O.E.L. R.N. 3505

ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
CHIMARRAS 8B, 15125 MAROUSSI
S.O.E.L. R.N. 107

PUBLIC POWER CORPORATION S.A.

Interim Condensed Consolidated and Separate Financial Statements for the six-month period ended June 30th 2023

In accordance with the International Financial Reporting Standards as adopted by the European Union

The attached interim condensed Separate and Consolidated Financial Statements have been approved by the Board of Directors of "PUBLIC POWER CORPORATION S.A.", **on August 3rd 2023, and are available on the internet, at the web site address www.dei.gr**.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN	CHIEF FINANCIAL OFFICER	ACCOUNTING DEPARTMENT DIRECTOR
GEORGIOS I. STASSIS	PYRROS D. PAPADIMITRIOU	KONSTANTINOS A. ALEXANDRIDIS	STERGIOS A. TSIFOTOUDIS

Public Power Corporation S.A.
General Commercial Registry: 786301000
Chalkokondyli 30 - 104 32 Athens

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PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30th 2023
(All amounts in thousands of Euro – except share and per share data)

	Note	GROUP		COMPANY	
		01.01.2023 – 30.06.2023	01.01.2022 – 30.06.2022	01.01.2023 – 30.06.2023	01.01.2022 – 30.06.2022
REVENUES:					
Revenue from energy sales		3,162,193	4,146,949	3,139,166	4,150,082
Revenue from natural gas sales		16,457	4,632	16,481	4,632
Other sales		403,344	240,705	193,015	48,543
	5	**3,581,994**	**4,392,286**	**3,348,662**	**4,203,257**
EXPENSES:					
Payroll cost		370,852	350,761	237,777	197,279
Lignite		(6,248)	(4,673)	(6,248)	(6,231)
Liquid Fuels		294,708	326,545	294,708	323,447
Natural Gas		354,730	678,313	354,730	678,313
Depreciation and amortization		306,991	333,256	137,628	164,148
Energy purchases		1,088,321	1,745,758	1,091,078	1,903,482
Materials and consumables		49,812	58,914	34,842	43,984
Transmission system usage		83,398	68,077	83,398	68,077
Distribution system usage		-	-	233,658	223,682
Utilities and maintenance		113,132	94,169	71,890	55,494
Third party fees		104,952	70,287	65,227	42,086
Emission allowances	14	394,468	476,751	394,468	403,061
Provisions for risks		7,071	(17,771)	8,669	(11,756)
Provision for impairment of materials		2,862	2,177	2,568	1,124
Provisions for expected credit losses		81,490	82,615	81,365	36,590
Financial expenses		192,801	171,471	156,414	143,372
Financial income		(60,074)	(21,042)	(98,567)	(64,061)
(Gains) from the sale of a Subsidiary/ spin-off of Post-Lignite branch	6.2	(141,559)	-	(141,559)	
Impairment loss on assets		5,353	2,749	5,353	2,749
Other (income)/expenses, net		64,196	31,084	35,737	3,562
(Gains)/ Losses from associate and joint ventures	9	5	(60,753)	-	-
(Gains) from partial sale of subsidiary	6	-	-	-	(790,021)
Foreign currency (gains)/ losses, net		(4,852)	1,723	(4,794)	1,617
		3,302,409	**4,390,411**	**3,038,342**	**3,419,998**
PROFIT BEFORE TAX		**279,585**	**1,875**	**310,320**	**783,259**
Income tax	7	(98,087)	(12,944)	(91,402)	(6,218)
NET PROFIT/ (LOSSES)		**181,498**	**(11,069)**	**218,918**	**777,041**
Attributable to:					
Owners of the Parent		175,640	(17,493)		
Non – controlling interests		5,858	6,424		
Profit/(Loss) per share, basic and diluted		0.48	(0.03)		
Weighted average number of shares		**376,041,211**	**382,000,000**		

-The accompanying notes are an integral part of the interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30th 2023
(All amounts in thousands of Euro)

	Note	GROUP 01.01.2023 – 30.06.2023	GROUP 01.01.2022 – 30.06.2022	COMPANY 01.01.2023 – 30.06.2023	COMPANY 01.01.2022 – 30.06.2022
Net Profit / (Loss) for the period		**181,498**	**(11,069)**	**218,918**	**777,041**
Other Comprehensive income / (loss)		-	-	-	-
Other Comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods		-	-	-	-
Reclassification of hedging transactions through other comprehensive income	15	14,866	(235,097)	14,866	(235,097)
Gains/(losses) from the valuation of hedging transactions	15	45,271	(50,854)	46,067	(50,854)
Gains/(losses) from associates	9	(34,282)	-	-	-
Deferred tax on gains/(losses) from the valuation of hedging transactions		5,831	(51)	5,656	(51)
Foreign currency differences		(218)	41	-	-
Net Other Comprehensive (loss) / income to be reclassified to profit or loss in subsequent periods		**31,468**	**(285,961)**	**66,589**	**(286,002)**
Other Comprehensive (loss) / income not to be reclassified to profit or loss in subsequent periods		-	-	-	-
Profit/(Loss) from financial assets at fair value through comprehensive income		15	(3)	15	(2)
Provision for decommissioning and removal of facilities / equipment of Units and Mines		775	-	775	-
Deferred taxes on provision for decommissioning and removal of facilities / equipment of Units and Mines		(169)	-	(169)	-
Net Other Comprehensive (loss) / income not to be reclassified to profit or loss in subsequent periods		**621**	**(3)**	**621**	**(2)**
Other Comprehensive income for the period after tax		**32,089**	**(285,964)**	**67,210**	**(286,004)**
Total Comprehensive income / (loss) for the period after tax		**213,587**	**(297,033)**	**286,128**	**491,037**
Attributable to:					
Owners of the Parent		**207,729**	**(303,457)**		
Non-controlling interests		**5,858**	**6,424**		

- The accompanying notes are an integral part of the interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS OF JUNE 30th 2023
(All amounts in thousands of Euro)

		GROUP		COMPANY	
ASSETS	**Note**	**30.06.2023**	**31.12.2022**	**30.06.2023**	**31.12.2022**
Non - Current Assets:					
Property, plant and equipment, net	15	10,757,615	10,550,781	5,144,188	5,210,419
Intangible assets, net	15	718,210	613,939	591,736	518,094
Right of use assets		173,368	175,470	148,965	147,724
Investments in subsidiaries	8	-	-	1,066,119	1,019,518
Investments in associates	9	31,892	60,147	7,005	537
Financial assets measured at fair value through other comprehensive income		345	330	344	329
Other non – current assets	8, 6.2	106,346	24,168	134,611	11,841
Deferred tax asset		337,232	426,393	674,936	760,852
Derivative Financial instruments		15,864	15,482	-	-
Total non – current assets		**12,140,872**	**11,866,710**	**7,767,904**	**7,669,314**
Current Assets:					
Inventories		857,718	840,184	597,650	616,689
Trade receivables		1,276,455	1,365,605	1,134,007	1,200,734
Contract assets		725,879	868,662	725,879	868,662
Other receivables		1,271,085	1,330,661	1,156,092	1,268,002
Income tax receivable		27,035	7,439	-	-
Cash and cash equivalents		2,431,733	3,159,484	2,110,958	2,760,552
Restricted cash		112,543	67,847	26,558	40,012
Total		**6,702,448**	**7,639,882**	**5,751,144**	**6,754,651**
Total Assets Held for Sale	6.2	-	20,623	-	20,623
Total current assets		**6,702,448**	**7,660,505**	**5,751,144**	**6,775,274**
Total Assets		**18,843,320**	**19,527,215**	**13,519,048**	**14,444,588**
EQUITY AND LIABILITIES					
EQUITY:					
Share capital	11	947,360	947,360	947,360	947,360
Share premium	11	1,018,747	1,018,747	1,018,747	1,018,747
Legal reserve		173,780	136,635	173,780	136,635
Statutory revaluation surplus		(947,342)	(947,342)	(947,342)	(947,342)
Revaluation surplus		5,134,608	5,150,332	3,050,330	3,064,597
Other Reserves	15	(1,290,519)	(1,321,801)	105,794	39,190
Treasury shares	11	(77,313)	(40,683)	(77,313)	(40,683)
Retained earnings		(714.861)	(869,348)	1,208,290	1,011,644
Total Equity attributable to the Owners of the Parent		**4,244,460**	**4,073,900**	**5,479,646**	**5,230,148**
Non – controlling interests		**585,789**	**605,970**	**-**	**-**
Total equity		**4,830,249**	**4,679,870**	**5,479,646**	**5,230,148**
Non – Current Liabilities:					
Long - term borrowings	12	3,829,605	3,822,907	2,307,645	2,496,509
Post-retirement benefits		144,984	137,395	77,879	75,992
Provisions		798,142	804,029	797,303	801,977
Financial lease liability		145,642	142,838	127,675	122,604
Contract liabilities		2,373,751	2,384,657	440,394	435,732
Subsidies		184,318	182,955	85,742	89,217
Long term financial liability from the securitization of receivables		333,904	350,089	333,904	350,089
Financial liability from NCI Put option	6	1,425,509	1,420,017	-	-
Derivative Financial instruments		871	-	367	-
Other non – current liabilities	8	76,865	35,541	38	512
Total non – current liabilities		**9,313,591**	**9,280,428**	**4,170,947**	**4,372,632**
Current Liabilities:					
Trade and other payables		995,103	1,146,725	627,954	735,889
Short term financial liabilities from the securitization of receivables		13,878	8,540	13,878	8,540
Income tax payable		49,503	42,955	6,640	15,175
Short – term borrowings	12	131,002	108,333	75,000	50,000
Current portion of long - term borrowings	12	682,492	591,894	357,926	357,662
Short – term financial lease liability		36,361	36,131	29,464	28,282
Accrued and other current liabilities	15	1,312,269	1,983,756	1,278,721	1,997,677
Derivative Financial instruments		10,104	11,732	10,104	11,732
Current portion of the provision of decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration areas		100,815	81,963	100,815	81,963
Current portion of post-retirement benefits		60,596	64,803	60,596	64,803
Contract liabilities		1,307,357	1,490,085	1,307,357	1,490,085
Total Current Liabilities		**4,699,480**	**5,566,917**	**3,868,455**	**4,841,808**
Total Equity and Liabilities		**18,843,320**	**19,527,215**	**13,519,048**	**14,444,588**

-The accompanying notes are an integral part of the interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30th 2023

(All amounts in thousands of Euro)

GROUP

	Note	Share Capital	Share Premium	Treasury shares	Legal Reserve	Revaluation Surplus	Fixed Assets Statutory Revaluation Surplus	Other reserves: Fair Value of financial assets through comprehensive income	Other reserves: Foreign Exchange Differences, Tax-free and Other Reserves	Other reserves: Other Reserves Total	Retained Earnings	Total	Non-Controlling Interest	Total Equity
Balance, January 1st, 2022		**947,360**	**1,018,753**	**-**	**128,317**	**5,163,915**	**(947,342)**	**(470)**	**306,847**	**306,377**	**(1,538,702)**	**5,078,678**	**329**	**5,079,007**
Net profit/ (losses) for the period		-	-	-	-	-	-	-	-	-	(17.493)	(17,493)	6,424	(11,069)
Other comprehensive income/ (loss) for the period after tax		-	-	-	-	-	-	(3)	(285,961)	(285,964)	-	(285,964)	-	(285,964)
Total Comprehensive income/(loss) for the period, after tax		**-**	**-**	**-**	**-**	**-**	**-**	**(3)**	**(285,961)**	**(285,964)**	**(17,493)**	**(303,457)**	**6,424**	**(297,033)**
Expenses of share capital increase		-	(6)	-	-	-	-	-	-	-	-	(6)	-	(6)
Disposals of property, plant and equipment		-	-	-	-	(14,100)	-	-	-	-	14,100	-	-	-
Financial liability from NCI put option		-	-	-	-	-	-	-	(1,410,833)	(1,410,833)	-	(1,410,833)	-	(1,410,833)
Sale of subsidiary	6	-	-	-	-	-	-	-	-	-	678,686	678,686	637,203	1,315,889
Dividend distribution		-	-	-	-	-	-	-	-	-	-	-	(41,650)	(41,650)
Treasury shares	11	-	-	(11,198)	-	-	-	-	-	-	-	(11,198)	-	(11,198)
Formation of legal reserve		-	-	-	8,318	-	-	-	-	-	(8,318)	-	-	-
Other movements		-	-	-	-	-	-	-	642	642	(1,976)	(1,334)	-	(1,334)
Balance, June 30th, 2022		**947,360**	**1,018,747**	**(11,198)**	**136,635**	**5,149,815**	**(947,342)**	**(473)**	**(1,389,305)**	**(1,389,778)**	**(873,703)**	**4,030,536**	**602,306**	**4,632,842**
Balance, January 1st, 2023		**947,360**	**1,018,747**	**(40,683)**	**136,635**	**5,150,332**	**(947,342)**	**(468)**	**(1,321,333)**	**(1,321,801)**	**(869,348)**	**4,073,900**	**605,970**	**4,679,870**
Net profit/ (losses) for the period		-	-	-	-	-	-	-	-	-	175,640	175,640	5,858	181,498
Other comprehensive income/ (loss) for the period after tax		-	-	-	-	606	-	15	31,468	31,483	-	32,089	-	32,089
Total Comprehensive income/(loss) for the period, after tax		**-**	**-**	**-**	**-**	**606**	**-**	**15**	**31,468**	**31,483**	**175,640**	**207,729**	**5,858**	**213,587**
Disposals of property, plant and equipment		-	-	-	-	(16,330)	-	-	-	-	16,330	-	-	-
Share capital increase	8	-	-	-	-	-	-	-	-	-	-	-	15,611	15,611
Treasury shares	11	-	-	(36,630)	-	-	-	-	-	-	-	(36,630)	-	(36,630)
Formation of legal reserve		-	-	-	37,145	-	-	-	-	-	(37,145)	-	-	-
Dividend distribution	6	-	-	-	-	-	-	-	-	-	-	-	(41,650)	(41,650)
Other movements		-	-	-	-	-	-	-	(201)	(201)	(338)	(539)	-	(539)
Balance, June 30th, 2023		**947,360**	**1,018,747**	**(77,313)**	**173,780**	**5,134,608**	**(947,342)**	**(453)**	**(1,290,066)**	**(1,290,519)**	**(714,861))**	**4,244,460**	**585,789**	**4,830,249**

- The accompanying notes are an integral part of the interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30th 2023
(All amounts in thousands of Euro)

COMPANY

							Other reserves				
	Share Capital	**Share Premium**	**Treasury shares**	**Legal Reserve**	**Revaluation Surplus**	**Fixed Assets Statutory Revaluation Surplus**	**Fair Value of financial assets through comprehensive income**	**Tax-free and Other Reserves**	**Other Reserves Total**	**Retained Earnings**	**Total Equity**
Balance, January 1st, 2022	**947,360**	**1,018,753**	**-**	**128,317**	**3,000,597**	**(947,342)**	**(401)**	**263,727**	**263,326**	**249,016**	**4,660,027**
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	777,041	777,041
Other comprehensive income/ (loss) for the period after tax	-	-	-	-	-	-	(2)	(286,002)	(286,004)	-	(286,004)
Total Comprehensive income/(loss) for the period, after tax	**-**	**-**	**-**	**-**	**-**	**-**	**(2)**	**(286,002)**	**(286,004)**	**777,041**	**491,037**
Expenses of share capital increase	-	(6)	-	-	-	-	-	-	-	-	(6)
Disposals of property, plant and equipment	-	-	-	-	(11,920)	-	-	-	-	11,920	-
Absorption of Lignite subsidiaries	-	-	-	-	71,265	-	-	4,446	4,446	(13,099)	62,612
Treasury shares	-	-	(11,198)	-	-	-	-	-	-	-	(11,198)
Formation of legal reserve	-	-	-	8,318	-	-	-	-	-	(8,318)	-
Other movements	-	-	-	-	-	-	-	-		2	2
Balance, June 30th, 2022	**947,360**	**1,018,747**	**(11,198)**	**136,635**	**3,059,942**	**(947,342)**	**(403)**	**(17,829)**	**(18,232)**	**1,016,562**	**5,202,474**
Balance, January 1st, 2023	**947,360**	**1,018,747**	**(40,683)**	**136,635**	**3,064,597**	**(947,342)**	**(400)**	**39,590**	**39,190**	**1,011,644**	**5,230,148**
Net profit/(loss) for the period	-	-	-	-	-	-	-	-	-	218,918	218,918
Other comprehensive income/ (loss) for the period after tax	-	-	-	-	606	-	15	66,589	66,604	-	67,210
Total Comprehensive income/(loss) for the period, after tax	**-**	**-**	**-**	**-**	**606**	**-**	**15**	**66,589**	**66,604**	**218,918**	**286,128**
Disposals of property, plant and equipment	-	-	-	-	(14,871)	-	-	-	-	14,873	-
Treasury shares	-	-	(36,630)	-	-	-	-	-	-	-	(36,630)
Formation of legal reserve	-	-	-	37,145	-	-	-	-	-	(37,145)	-
Other movements	-	-	-	-	-	-	-	-	-	-	-
Balance, June 30th, 2023	**947,360**	**1,018,747**	**(77,313)**	**173,780**	**3,050,330**	**(947,342)**	**(385)**	**106,179**	**105,794**	**1,208,290**	**5,479,646**

- The accompanying notes are an integral part of the interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30th 2023
(All amounts in thousands of Euro)

	Note	GROUP 01.01.2023-30.06.2023	GROUP 01.01.2022-30.06.2022*	COMPANY 01.01.2023-30.06.2023	COMPANY 01.01.2022-30.06.2022
Cash flows from operating activities					
Profit before tax		**279,585**	**1,875**	**310,320**	**783,259**
Adjustments:					
Depreciation and amortization		288,974	329,536	122,948	161,878
Depreciation of right-of-use assets		22,825	11,167	18,156	7,210
Impairment loss on assets		5,353	2,749	5,353	2,749
(Gains) from the sale of a Subsidiary/ spin-off of Post-Lignite branch		(141,559)	-	(141,559)	-
Amortization of subsidies		(4,808)	(7,447)	(3,475)	(4,940)
Income from long-term contract liabilities		(49,100)	(47,745)	(124)	(124)
(Gains) from partial sale of subsidiary		-	-	-	(790,021)
(Gains)/ Losses from associates	9	5	(60,753)	-	-
Interest income and dividends		(60,074)	(21,042)	(98,567)	(64,061)
Sundry provisions		95,433	69,448	95,297	27,616
Valuation of derivatives – swap agreements		(3,066)	-	(2,391)	-
Utilization of provision for decommissioning of Mines and Units		(7,921)	(13,304)	(7,921)	(13,304)
Finance expense of the provision for decommissioning		16,747	-	16,462	-
Foreign exchange gains losses on loans and borrowings		4,852	(1,723)	4,794	(1,617)
Unbilled revenue		123,275	(252,020)	123,275	(252,020)
Disposals of property, plant and equipment and intangible assets		(84)	6,765	(84)	3,630
Amortization of loans issuance fees		4,055	3,220	3,939	3,220
Interest expense		113,592	87,242	77,604	62,762
Operating profit/(loss) before working capital changes		**688,084**	**107,968**	**524,027**	**(73,763)**
(Increase)/decrease in:					
Trade receivables		1,034	(428,602)	15,039	(401,667)
Other receivables		120,915	(348,797)	151,274	(285,462)
Inventories		(20,396)	(119,289)	16,470	(95,943)
Increase/(decrease) in:					
Trade payables		(146,649)	201,517	(102,597)	91,079
Other non – current liabilities		(192,736)	(12,214)	(200,157)	(13,851)
Accrued and other liabilities (excluding interest)		(610,146)	(851,255)	(642,361)	(935,577)
Restricted cash		(25,670)	18,408	13,454	12,539
Change in Intangible assets (Emission allowances)		(74,499)	123,774	(74,499)	123,774
Proceeds from long-term contract liabilities		41,324	90,045	-	-
Income tax (paid) /received		(8,500)	-	(8,500)	-
Net Cash from/ (used in) Operating Activities		**(227,239)**	**(1,218,445)**	**(307,850)**	**(1,578,871)**
Investing Activities					
Interest and dividends received		58,887	17,964	97,380	17,633
Capital expenditure for property, plant and equipment and intangible assets	15	(447,529)	(244,431)	(63,869)	(69,522)
Acquisition of subsidiaries, net of cash acquired	3, 9	(47,728)	(53,884)	-	-
Proceeds from the sale of subsidiary	6	-	-	-	1,323,276
Investments in subsidiaries and associates	8	(6,027)	-	(90,983)	(150,867)
Net Cash from/ (used in) Investing Activities		**(442,397)**	**(280,351)**	**(57,472)**	**1,120,520**
Financing Activities					
Net change in short-term borrowings		22,669	(132,062)	25,000	(140,000)
Proceeds from long-term borrowing		870,252	15,446	500,495	11,331
Principal payments of long-term borrowing	12	(818,723)	(235,593)	(699,620)	(160,968)
Principal lease payments of right-of-use assets		(24,105)	(12,994)	(17,386)	(7,931)
Interest paid and loans' issuance fees		(81,966)	(83,438)	(56,131)	(59,909)
Dividends paid	6	(41,650)	-	-	-
Treasury shares	11	(36,630)	(11,198)	(36,630)	(11,198)
Proceeds from the sale of subsidiary	6	-	1,323,276	-	-
Share capital from minority shareholders	8	52,038	-	-	-
Net Cash from/ (used in) Financing Activities		**(58,115)**	**863,437**	**(284,272)**	**(368,675)**
Net increase in cash and cash equivalents		(727,751)	(635,359)	(649,594)	(827,026)
Cash and cash equivalents at the beginning of the period		3,159,484	2,832,351	2,760,552	2,512,204
Cash and cash equivalents from the Absorption of Lignite subsidiaries	6.1	-	-	-	69,201
Cash and cash equivalents at the end of the period		**2,431,733**	**2,196,992**	**2,110,958**	**1,754,379**

- The accompanying notes are an integral part of the interim, condensed, consolidated and separate financial statements

* Certain figures of the Group have been restated compared to those published on 30.06.2022 in order their presentation to be consistent with the one in the annual Cash Flow Statement on 31.12.2022. Specifically, the Proceeds from the sale of a Subsidiary amounting to € 1,323,276 for the Group was transferred from the cash flows from investment activities to the cash flows from financing activities in a separate line.

SELECTED DISCLOSURE NOTES

1. CORPORATE INFORMATION

Public Power Corporation S.A. ("PPC" or the "Parent Company") was established in 1950 in Greece for an unlimited duration as a State owned and managed corporation for electricity generation, transmission and distribution throughout Greece.

In January 1, 2001 PPC was transformed into a société anonyme with a duration of 100 years and effective December 2001, PPC's shares are listed on the Athens Stock Exchange.

PPC headquarters are located at 30, Chalkokondili Street, Athens, 104 32 Greece.

The accompanying financial statements include the separate financial statements of PPC and the consolidated financial statements of PPC and its subsidiaries ("the Group").

On June 30, 2023, the number of personnel employed by the Group was 13,102 (2022: 12,582). On June 30, 2023, 87 employees of the Group (2022: 87), have been transferred to several State agencies, out of which, 84 were compensated by PPC (2022: 86). The total payroll cost of such employees, for the six-month period ended June 30, 2023 amounted to €2,060 (2022: €1,936). Additionally, on June 30, 2023, Group's transferred employees in EFKA (Greek Single Social Security Institution) amounted to 140 (2022: 155) for which payroll cost amounted to €3,579 (2022: € 3,922).

PPC Group generates energy from the power generating stations of the Parent Company, of its subsidiary 'PPC RENEWABLES S.M.S.A.' and other subsidiaries of Renewable Energy Sources and distributes energy to consumers through the distribution network for Medium and Low voltage owned by its subsidiary "HEDNO S.A.". PPC Group also develops an urban fiber optics network. Lignite consumed by the Group's lignite-fired power stations is extracted, to a significant extent, from its own lignite mines.

Since the fourth quarter of 2019, the Parent Company started to operate in the Natural Gas market.

2. LEGAL FRAMEWORK

SIGNIFICANT CHANGES WITHIN THE FIRST QUARTER OF 2023, AS WELL AS PREVIOUS LAWS THAT HAVE NOT YET BEEN SPECIFIED AND MAY SIGNIFICANTLY AFFECT THE GROUP AND THE COMPANY

2.1. ELECTRICITY MARKET

- Article 92 of Law 5027/2023 (OG A' 48/02.03.2023) defined the exemption from the application of the Temporary Mechanism of the Revenue Part of the Day-Ahead Market and Intraday Market of energy sales transactions which are sold and are settled on the t Day-Ahead Market and concern quantities of electricity, which are available through physical delivery contracts, from an obligated Participating Producer or Aggregators of RES and HECHP to energy-intensive industrial consumers, known as Power Purchase Agreements ("PPA").
  The said consumers can be recipients of the energy available through a contract, either directly with the Participating Producer or Aggregators of RES and HECHP, or through electricity supply license holders representing the load of the said consumers.
  The sale of energy cannot generate income for the producer or Aggregators of RES and HECHP greater than the upper limit of par.1 of article 6 of Regulation (EU) 2022/1854 (€180/MWh of electricity produced).
  The Group and the Parent Company entered, within the second quarter of 2023, into a contract (PPA) for the sale of energy with an energy-intensive industrial consumer. The contract of a total term of 10 years includes two periods. In the first period, the Group and the Parent Company sell the agreed amount of electricity with physical delivery, produced by the conventional units of the Parent Company's production portfolio, to the buyer, at an agreed price. In the second period, if specific terms and conditions will be met, the Group and the Parent Company will sell electricity produced by specific portfolios of Photovoltaic Units (pay-as-produced) without physical delivery with financial settlement, at an agreed price.

  With RAE Decision 163/2023 (OG B' 1313/07.03.2023) the necessary amendment to the Stock Exchange Regulations (EXE and EnEx Clear) was approved and based on technical and regulatory readiness, RAE announced the commencement of the exemption as from March 10, 2023 (physical delivery date).

- By the Decision YPEN/GEOPY/54277/4 (OG B' 3312/18.05.2023) the extension of the period of validity of the Temporary Mechanism for Returning Part of Producers' Revenues to the Day-Ahead Market and Intraday Market of article12A of Law 4425/2016 was defined until September 30, 2023, which was amended by Decision YPEN/DIE/80965/1519 (OG B' 4802/28.07.2023) extending again, until December 31, 2023, the period of validity of the Temporary Mechanism in the wholesale market.

- By the Decision YPEN/DIE/28266/608 (OGB'1693/20.03.2023) the amendment defined in accordance with article 89 of Law 5027/2023, of the special levy imposed on the natural gas units came into effect as from 21.03.2023 in favor of ETF, regarding the amount of the levy, which was changed from the fixed price of €10/MWh to a percentage of 5% of the arithmetic average of the daily average prices of the natural gas trading platform "Title Transfer Facility" ("TTF") and which has been integrated since 06.11.2022, in the calculations of the regulated price with which the natural gas Units are paid, in the context of the Temporary Return Mechanism to the Energy Transition Fund (ETF) of the Revenue Part of the Day-Ahead Market and Intraday Market of the Power Producers (Power Plants and RES Portfolios) from their participation in the EXE markets and as a result the obliged Power Producers are not burdened with this levy.
- Law 4951/2022 (OG A' 129/04.07.2022) as amended and in force by Law 4964/2022 (OG A' 150/30.07.2022), enacted the conclusion of Contracts for Emergency Standby Capacity between IPTO and the owners of thermal power plants (PPC) located in the electricity systems of the island regions, which no longer fall under the Non-Interconnected Islands (interconnection with mainland's Transmission System). It provisioned the issuance of a Joint Ministerial Decision within 3 months from the entry into force of the law, which specifies for the period from 01.01.2004 until the entry into force of the Contracts for Emergency Standby Capacity for the electrical systems of the islands of Andros, Tinos, Mykonos, Syros and Paros, the amount of the relevant consideration to PPC, which is calculated on the basis of documented full cost ex post data, provided by PPC and HEDNO, with coverage of the consideration through the Special Account for Public Service Obligations.
  Since the completion of the actions provided for in the law is pending, for the amendment of the relevant regulations by the RAWEW on the basis of the relevant recommendations of the competent administrators, the Standby Contracts of par. 1 of the same article have not consequently come into force.

  Currently, no provision has been made in the financial statements of the Group and the Parent Company for the amount of the consideration to be received by PPC, as it is expected to be determined by a joint decision of the Ministers of Environment and Energy and Finance, following the opinion of RAE.

2.LEGAL FRAMEWORK (CONTINUED)

Issues of the Electricity Retail Market

- By the Decision YPEN/GGEOPY/54277/4 (OG B' 3312/18.05.2023) the period of validity of the ban on the application of a charge adjustment clause or a corresponding clause to variable electricity supply tariffs and the obligation of electricity suppliers to announce tariffs on a monthly basis as defined in article 138 of Law 4951/2022, was extended until September 30, 2023. In addition, the suspension of application of a unit charge (clause) of adjustment on the charges for the provision of the Universal Service, as defined in article 138 of Law 4951/2022, was extended until October 1, 2023. By the Decision YPEN/DIE/80965/1519/28.07.2023 (OG B' 4802/28.07.2023 with circulation date 31.07.2023) the above decision was amended and a new extension is set up to December 31, 2023 of the Temporary Mechanism for Returning Part of Producers' Revenues to the Next Day Market and Intraday Market of the article 12A of Law 4425/2016, the ban on the application of a charge adjustment clause or a corresponding clause to variable electricity supply tariffs and until January 1, 2024 the suspension of application of a unit charge (clause) of adjustment on the charges for the provision of the Universal Service.
- By the Decisions YPEN/DIE/53610/1043, (OG B' 3327/19.05.2023) and YPEN/DIE/62907/1180 (OG B' 3843/14.06.2023), the "Reference Tariffs" of Universal Service per Customer category for the months of May and June 2023 respectively were defined, based on the provisions of paragraph 6 of article 138 of Law 4951/2022, which stipulates that in cases where the total tariffs of the five Universal Service Suppliers, including PPC S.A., present a deviation greater than 20% compared to the average next four most expensive tariffs in order, a different tariff that that with the highest billing price and which will not fall short of the average four most expensive tariffs per universal service supplier and per customer category, shall be determined as the Reference Tariff.
- The granting of subsidy for the consumption of electricity (as a credit to the beneficiaries' accounts by suppliers) through the Energy Transition Fund (ETF) managed by DAPEEP, which was established by Law 4839/2021, remains in force for the year 2023.
  For all residential electricity consumers, regardless of the type of residence, a scaled subsidy was granted, for monthly electricity consumptions from 0 to 500 kWh, from 501 kWh to 1,000 kWh and for consumptions exceeding 1,000 kWh, where for monthly consumption that exceeds the consumption limits of a certain tier, excess consumption to be subsidized based on the unit subsidy price of the next tier in order. Specifically, the unit subsidy for the three tiers, from the lowest to the highest monthly consumption, was set for the month of January 2023 at €330/MWh, €280/MWh and €190/MWh respectively. In addition, an incentive to save electricity was introduced for all residential consumers, except for KOT and TYA beneficiaries, whose consumption exceeds 500 kWh, setting an additional subsidy of €50/MWh for residential consumers who achieve a 15% reduction in their average daily consumption, compared to last year's corresponding consumption.

  For the months of February and March 2023, the subsidy was set at €40/MWh for residential consumers with monthly consumption up to the limit of 500 kWh, while for consumptions exceeding 500 kWh, the same monthly subsidy was set, only on the condition of achieving savings target for a 15% reduction in average daily consumption compared to the corresponding consumption of last year.

  For the months of April – June 2023, the subsidy was set at €15/MWh for residential consumers with monthly consumption up to the limit of 500 kWh, while for consumptions exceeding 500 kWh the same monthly subsidy was set, only on the condition of achieving energy savings target for a 15% reduction in average daily consumption compared to the corresponding consumption of last year.

  In addition, beneficiaries of the subsidy were all the beneficiaries of the Social Residential Tariff (KOT) and the Solidarity Services Tariff (TYA), regardless of consumption limit. For these consumers, the monthly subsidy was set for the months of January – June 2023 at €378/MWh, €88/MWh, €84/MWh, €54/MWh, €50/MWh and €50/MWh respectively.

  For the months of January and February 2023, a subsidy was set for all non-residential electricity consumers (Agricultural, Commercial, Industrial, Business, Other Uses, etc.), which are contracted to variable electricity supply tariffs, equal to €134/MWh and € 20/MWh respectively, regardless of consumption limit. For the month of March and the months of April - June 2023, a subsidy was set for non-residential consumers with agricultural power supply, regardless of voltage level, equal to €40/MWh and €15/MWh respectively.

2.LEGAL FRAMEWORK (CONTINUED)

In addition, the additional subsidy from the ETF for electricity consumption was provided to all non-residential electricity consumers with business activity who meet the following requirements: 1) Have power supplies up to 35 kVA or have a main activity with an Activity Code Number (ACN) 10. 71, i.e. bakeries, irrespective of the supply power limit and voltage level, or have an agricultural supply, irrespective of the supply power limit and voltage level, set for the month of January 2023 for non-residential consumers (except consumers with agricultural tariff), with a power supply of up to 35kVA and a monthly consumption of up to 2,000 kWh, as well as for the total consumption of bakeries (ACN 10.71) at €158/ MWh and for non-residential consumers with an agricultural tariff at €196/MWh. For the month of February 2023, an additional subsidy equal to €20/MWh was set for non-residential consumers with an agricultural tariff.

In article 93 of Law 5027/2023, through an amendment to paragraph 3 of article 61 of Law 4839/2021, it was defined that consumers, who have entered into bilateral contracts for the physical delivery of electricity, the quantities of which, based on article 92 of the same law, are not counted and are not taken into account during the application of the Temporary Mechanism for Returning Part of the Revenues of the Day-Ahead and Intra-Day Market to energy Producers and no subsidy is granted for the quantities delivered pursuant to these contracts.

In this context, within the first semester of 2023, amounts totaling €923.4 million (30.06.2022: €0.7 million) were credited to PPC from DAPEEP for electricity consumption, as this subsidy was included in electricity bills, reducing the amount of consumers' bills due to PPC.

- Article 40 of Law 4994/2022 (OG A' 215/18.11.2022) established a Temporary Mechanism for Refund of Part of the Revenues from Electricity Suppliers, under which an extraordinary contribution is imposed on each electricity supplier, based on its excessive revenues from its activity in the domestic retail electricity market during the period 01.08.2022 - 01.07.2023.

  The proceeds of the levy shall be credited to DAPEEP which manages the special Account of the Energy Transition Fund (ETF) for subsidizing consumers' electricity bills.

  For the calculation of the excessive revenues, the Reasonable Maximum Retail Price (RMRP), based on the average cost of supplying electricity, plus a reasonable maximum profit margin and taking into account a reasonable percentage for system losses, operating costs and risk of bad debts and the Average Billing Price (ABP) will be taken into account per month under review, as the average billing price on the tariffs provided by the supplier, based on the consumption per tariff, excluding any state subsidy, with the possibility of including also fixed tariff types of low-voltage consumers by priority, as well as discounts provided by suppliers.

  The excessive revenue per month for each supplier will be calculated as the product of the difference between the Average Billing Price and the corresponding Reasonable Maximum Retail Price, multiplied by the quantity of electricity supplied per month, minus the amounts paid by the liable party in the context of the settlement of monthly electricity purchase contracts and monthly hedging operations.

  Article 91 of Law 5027/2023 amended Article 40 of Law 4994/2022, and based on the amendment the interim and final settlement of the Temporary Mechanism is described again and especially for the first application of the Mechanism the period from 01.08.2022 to 31.12.2022 was defined as the calculation period of the levy (i.e. the 5 months of the year 2022) and 60% of the extraordinary levy, calculated on the excess revenues of this period to be imposed until 31.03.2023 (while it was originally set from 01.08.2022 to 31.10.2022 with enforcement until 23.12.2022). Then, the extraordinary levy will be imposed on a quarterly basis and will periodically concern the immediately following 3 months of extraordinary levy.

  A joint decision is expected to be issued by the Ministers of Environment and Energy and Finance, which will define every relevant detail and procedure for the implementation of the Mechanism following a proposal by RAE, as well as the procedure and time for the imposition, certification, collection and reimbursement of the extraordinary contribution to the ETF.

  At present, any financial impact of the extraordinary Electricity Supplier levy cannot be determined.

2.LEGAL FRAMEWORK (CONTINUED)

2.2. Public Service Obligations (PSOs)

- According to KYA-YPEN/DIE/39688/789/19.04.2023 (OG B' 2550/19.04.2023) an amount of € 60 million from the surplus of the special account of Public Service Obligations (PSO) was attributed in installments to DAPEEP from HEDNO on 28/04/2023 and on 10/05/2023 for the financing of the special account "Energy Transition Fund" (ETF).

2.3. Hellenic Electricity Distribution Network (HEDN)

- With RAE Decision 198/2023 (OG B' 2021/30.03.2023) the Charges for the Use of the Hellenic Electricity Distribution Network - HEDN (UCN) were determined, with entry into force from 01.05.2023, determining the peak load periods of the Network, the categories of consumers and the corresponding unit charges, in accordance with the procedure for determining the UCN's, following the recommendation of the Network Operator (HEDNO), based on the Required Revenue approved by RAE. Based on RAE Decision 164/2023/30.03.2023 the amount of the Required income for 2023 will amount to €981.8 million.

2.4. Other Issues of the Electricity Market

- By Law 5037/2023 (OG A' 78/28.03.2023) as amended by Law 5043/2023 (OG A' 91/13.04.2023), , issues related to the modernization of legislation, inter alia, were defined on the use and generation of electricity from RES, access of RES to networks and infrastructures, monitoring of support schemes, renewable energy communities, citizen energy communities, RES- HECHP power plants from self-consumers, promotion of storage systems installations, the operating license for RES power plants in stages, the guarantees of origin, the special framework for operational support of hybrid plants in the NIIs, the utilization of the available margin of wind farms in the NII systems, the promotion of the implementation of offshore wind farm pilot projects, the ban on the issuance of new licenses for electricity generation fueled with coal, lignite, natural gas or petroleum products and the possibility of converting electricity generation licenses into electricity storage licenses and the strengthening of e-mobility.
  .
- Decision YPEN/DIE/55948/1087 (OG B' 3416/20.05.2023) defined the framework of the competitive procedures for the granting of investment and operational funding to electricity storage plants. The procedure will be completed in 3 phases (three competitive procedures) by the end of 2023 when a total of 1000 MW will be tendered. The completion of the procedures and the selection of the plants to be funded will be completed by December 31, 2023. The storage plants included must be completed and commissioned by December 31, 2025.

  By the Decision E-45/2023 of the Energy Sector of RAWEW E-45/2023 (OG B' 3939/17.06.2023), the first Competitive Procedure was launched for a capacity of 400MW to be auctioned and distributed in the entire Hellenic Electricity Transmission System (ESMIE), except for Crete, with a maximum participation capacity limit per participant equal to 25% of the capacity of the Competitive Procedure to be auctioned (100MW) and a maximum allowable tender price of 115,000€/MW/year (expiration date for submission of applications for participation by 10.07.2023).

  By the Decision E-42/08.06.2023 of the Energy Sector of RAWEW, following relevant request of PPC S.A., the revocation of the Generation License of the Lignite Unit 3 of Megalopolis TPP, with a capacity of 300 MW, was approved and the said Unit was permanently decommissioned.

2.5. NATURAL GAS MARKET

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2.6. ELECTROMOBILITY

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2.7. ISSUES OF RENEWABLE ENERGY SOURCES (RES) AND HIGH EFFICIENCY CO-GENERATION OF HEAT AND POWER (HECHP)

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2.LEGAL FRAMEWORK (CONTINUED)

2.8. SPECIAL ISSUES

- By the Decisions RAE 823/2022 (OG B' 56/12.01.2023) and RAE 911/2022 (OG B' 98/16.01.2023) the Standard Contracts for the compensation of the Obliged parties, among which PPC S.A., of Actions D4 and D3, respectively, of the Preventive Action Plan (PAP), as approved and valid, and which concern the obligation to maintain a safety stock of natural gas in Revythousa from natural gas-fired power plants without the possibility of fuel switching and the obligation to maintain natural gas reserves in the underground storage infrastructure of another Member State (Italy, Bulgaria) for the period November 2022 – March 2023. In this regard, with RAE Decision 822/2023 (OG B' 69/13.01.2023) the amendment to the Management Code of the National Natural Gas System was approved, regarding the Implementation Procedure of Action D4.

- By RAE Decision 841/2022 (OG B' 201/19.01.2023) the updated Emergency Plan (EP) was approved in accordance with Regulation (EU) 2017/1938 (regarding the measures to safeguard the security of natural gas supply), which is applied during the occurrence of Crisis situations that affect or may affect the smooth operation of the Greek natural gas market and/or its security of supply, as laid down in the Regulation.

3. SIGNIFICANT EVENTS

Effects of the COVID-19 Pandemic

The COVID-19 pandemic continues to affect the global social and economic life. In Greece, from mid-April 2021 the restrictive measures gradually began to be lifted, as a result of the program of massive vaccination applied, while there was a complete liberalization of the operation of stores since 2022. In May 2023, the World Health Organization announced that COVID-19 is no longer a health emergency.

In the medium to long term, the pandemic has resulted in the delay or freezing of new energy investments, which at least partially corresponds to the high prices of energy products (electricity, natural gas, oil, CO_2 emission allowances etc.), observed in 2021 and in 2022, combined with the strong global recovery in demand for these energy products during 2021 and until mid- 2022, as well as with the geopolitical frictions and the Russia-Ukraine war (below section) that created nervousness in the energy markets and strong upward trends in the prices of all energy products. In particular, in Greece after the recovery of electricity demand observed in 2021 in the Interconnected System and continued in the first half of 2022, a significant increase in electricity prices in the Day-ahead Market was observed, which in combination with the increase in prices for emission allowances CO_2 and natural gas, contributed to the increase of the energy balance cost of both Greece and PPC for this period. It is noted that from July 2022 until mid of 2023, a significant decrease in electricity demand in the Interconnected System has been observed, which is related on the one hand to the prevailing mild weather conditions and on the other hand to the reasonable reaction of consumers to the very high prices of electricity possibly in combination with the incentives given by the State for energy saving.

The Group’s and the Parent Company’s Management monitors constantly the developments of the COVID-19 pandemic and evaluates any possible further effects on the operation, financial position and results of the Group and the Parent Company.

War Russia-Ukraine

The current geopolitical crisis in Ukraine, combined with the economic sanctions imposed on Russia by the European Union and the United States of America, have created conditions of uncertainty in the economic environment at European and global level.
PPC Group does not have a relevant commercial presence in Russia and Ukraine and as a result there is no direct effect on its activities, but the indirect effect, as it develops, is particularly important.
The increased costs in the wholesale electricity market due to the unprecedented increase in the price of natural gas in 2022 is a development that indirectly affects the activities of the Group, which is, however, largely protected by the vertically integrated nature of its activities, due to its presence in both generation and supply of electricity. The aforementioned protection of the Group due to its vertically integrated nature is mitigated to some extent, as a consequence of the Temporary Mechanism of Law 4971/2022 (Article 122) for Returning Part of Income of the Next Day Energy Market.

3.SIGNIFICANT EVENTS (CONTINUED)

Based on this Mechanism, which is valid during the period 8/7/2022-30/9/2023 (and extended until 31/12/2023), the power generation units of the Interconnected System (except Crete) are compensated in the Day-Ahead Market based on regulated prices as defined by Ministerial Decision (practically part of their income is withheld from the Day-Ahead Market, with which the special account "Energy Transition Fund" is financed). With the above Mechanism, the income of Generation in the Day-Ahead Market arises based on the variable cost of the units (cost plus), while the costs of Supply in the same Market arise based on the Clearing Price of this Market.

As an emergency measure to strengthen the energy sufficiency of the country and reduce the supply of natural gas from Russia, the PPC Group launched within 2022 the increase of lignite production, contributing to the adequacy of the country's electrical system for the period of the energy crisis, through a review of the mining planning and by changing the estimated withdrawal plan of the lignite units, with a slight extension of it, depending on the market conditions.

The above measures combined with geopolitical developments led to a significant de-escalation of natural gas and electricity prices in the first half of 2023 across Europe, including Greece. The risk of high prices for the coming winter 2023-24, thus the risk of prolongation of the energy crisis, has not been eliminated, however the energy markets show a significant normalization.

Indirect effects from the Russian – Ukraine war may arise due to the consequent reduction of our customers' disposable income, as a result of increased energy costs and the intensification of inflationary pressures. As mentioned, already in the previous paragraph, there is a significant decrease in electricity demand during the second half of 2022 and continues during 2023, which is partly attributed to the increased energy costs.

Any overall final economic impact of the Russia-Ukraine war on the global and Greek economies and businesses cannot be estimated at present, due to the high degree of uncertainty arising from the impossibility of predicting the final outcome, but also due to the secondary effects listed above. In any case, the Management of the Group and the Parent Company continuously monitors the relevant developments and evaluates any possible further effects on the operation, financial position and results of the Group and the Parent Company, being in a state of increased vigilance to take appropriate precautionary measures to safeguard the liquidity and business activities of the Group and the Parent Company.

Commercial policy

PPC and in 2023 fully and immediately implemented all the supporting measures introduced by the State, incorporating the subsidies to beneficiary customers in both electricity and natural gas. At the same time, PPC continues to implement the requirements of Law 4951/2022, the validity of which was extended until 30th of September 2023, so announces the prices for the fluctuating electricity supply products on the 20th day of every month.

In April 2023, PPC launched the new residential product PPC myHome 4All, which rewards customers who have registered on the myEnergyCoach online platform and achieve energy saving targets, while in May it adapted its pricing policy to the new market conditions in the fixed tariff products myHome Enter & myHome Online.

Since May 2023, PPC has been offering integrated photovoltaic systems solutions -PPC my Energy Solar Net- on the market, helping consumers reduce their electricity cost.

In the context of its corporate operation, PPC has been developing action programs for a long time, with the main objective of improving its collections and at the same time providing integrated solutions to customers in terms of servicing their debts. In particular, it improves its credit policy in accordance with the Electricity Supply Code by creating scalable actions of information and collection, which are constantly evolving, and it measures their effectiveness.

At the same time, it continues its cooperation with a company that provides specialized support services in the context of the securitization of company's trade receivables with the aim of reducing overdue debts and preventing the creation of new ones, imposed by the criticality of the situation in the field of Energy.

3.SIGNIFICANT EVENTS (CONTINUED)

Moreover, it continues to apply the new debt settlement policy, which is in effect since 2022, for its entire customer base giving flexible settlement programs and personalized solutions according to the needs of its customers.

Finally, it creates alternative payment services using the capabilities of technology and utilizing its partnerships with major financial institutions in order to provide optimal solutions to its customers.

Signing of a Bond Loan Agreement for the financing of the development of a Fiber to The Home Network (FTTH)

PPC established the 100% special purpose subsidiary company DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. in December 2022, which will undertake the construction, operation, exploitation and maintenance of the optical fibers that will be created.

On February 16, 2023, an amount of €30 million was paid by the Parent Company as the initial share capital of the subsidiary.

On February 24, 2023, DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. proceeded, as Issuer, to sign a Project Financing Agreement ("Bond Loan Program"), amounting to €465 million through commercial borrowing and funds from the Recovery and Resilience Fund. The banks Alpha Bank S.A. and Piraeus Bank SA. are the Lead Arrangers and the Greek State and the banks Alpha Bank S.A., Piraeus Bank S.A. and Eurobank A.E. as Original Bondholders. Piraeus Bank acts as Representative of the Bondholders, with Alpha Bank as Payment Administrator.

The disbursement will start upon fulfillment of the conditions included in the Bond Loan Program. This financing concerns the development of an optical fiber network ("Fiber-to-the-Home") in 3,000,000 homes in Greece and the provision of wholesale telecommunications services. The investment is part of the Digital Transformation pillar of the Recovery and Resilience Fund (REF) and seeks to contribute to the fulfillment of the relevant objectives of the National Recovery and Resilience Plan.

Acquisition of RES portfolio subsidiaries

In January 2023, following the 22.12.2022 agreement with Piraeus Equity Partners, the Group through its subsidiary WINDARROW ENERGEIAKI S.M.S.A. entered into an agreement to purchase 100% of the shares of the companies AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA and KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.

Specifically, the Group acquired 100% of the shares of AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA which owns two Wind Farms, with a total installed capacity of 43.8MW in the locations "LEFKES" and "MPELECHERI" of the Municipality of Evrotas Lakonia, Region of Peloponnese and 100% of KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A, which has a license to operate a Photovoltaic Power Plant with a power of 1.99 MWp in the location "Vlachopigado" of the Municipality of Estaiotida, P.E. Trikala.

The fair value of the assets and liabilities of the companies recognized in the Group's financial statements at the acquisition date amounted to:

3.SIGNIFICANT EVENTS (CONTINUED)

	Fair Value
	Amounts in thousands of €
Property, plant and equipment, net (Note 14)	55,276
Intangible assets, net (Note 14)	23,973
Right of use assets	197
Other non – current assets	10
Total Non – Current Assets	**79,456**
Trade receivables	1,226
Cash and cash equivalents	1,749
Restricted cash	19,026
Total Current Assets	**22,001**
Total Assets	**101,457**
Post-retirement benefits	(3)
Long - term borrowings	(34,927)
Subsidies	(5,685)
Provision for dismantling of Wind Parks’ facilities	(233)
Long- term financial lease liability	(181)
Deferred tax liabilities	(12,516)
Total Non – Current Liabilities	**(53,545)**
Current portion of long - term borrowings	(1,670)
Trade and other payables	(365)
Short – term financial lease liability	(19)
Subsidies (Current portion)	(488)
Income tax payable	(36)
Total Current Liabilities	**(2,578)**
Total Liabilities	**(56,123)**
Total net assets acquired at fair value	**45,334**

On the acquisition date, an assessment of the definition of "business" in accordance with IFRS 3 was carried out and goodwill of €12.7 million was recognized in intangible assets that was not allocated to any specific intangible asset.

Singing of a binding agreement for the acquisition of ENEL operations in Romania

With the announcement on March 9, 2023, the Parent Company disclosed that it has entered into a binding agreement with Enel S.p.A. (“Enel”) to acquire all of the equity interests held by Enel and its subsidiaries in Romania for a total consideration of approximately €1,260 million (based on a total enterprise value of approximately €1,900 million). The final consideration is subject to customary adjustments based on a future value uplift for the retail business in Romania. The closing of the acquisition is expected to occur by the third quarter of 2023 and will be subject to certain conditions precedent (customary for this kind of transaction), including, among others, clearance from the relevant antitrust authorities.

PPC intends to finance the acquisition with a combination of debt and equity, out of which an amount of €800 million will be from committed debt financing in the form of a €485 million 5-year term loan facility through Greek banks and a €315 million bridge facility through international banks.

The acquisition represents a transformational event for PPC’s growth strategy with the acquisition of a significant renewable’s portfolio (both operating and pipeline), leading electricity distribution and supply businesses. The acquisition is PPC’s first material expansion abroad.

3.SIGNIFICANT EVENTS (CONTINUED)

Following the agreement of PPC S.A. with Enel on March 9, 2023 for the acquisition of all of Enel's holdings in Romania, the Parent Company on April 19, 2023 signed an agreement with Fondul Proprietatea S.A. ("Fondul") for the acquisition of all the holdings held by Fondul in the companies E-Distributie Muntenia S.A. (12%), Enel Energie Muntenia S.A. (12%), E-Distributie Dobrogea S.A. (24.1%), E-Distributie Banat S.A. (24.1%), and ENEL Energie S.A. (12%) in Romania, for a total price of approximately €130 million.

Completion of the sale based on the agreement with Fondul is subject, among other things, to the completion of the transaction between Enel and PPC.

VAT Return

For the months of February and March 2023, VAT refund requests were submitted to the Athens FAE amounting to € 30 million, which were returned to the Parent Company within the first half of 2023 without any audit.

Other significant events of the period

Within the first half of 2023, the spin-off of the branch Post-Lignite Exploitation of the Core Lignite Phase-out Zones of P to the newly established subsidiary METALIGNITIKI S.A. and the sale of 100% of its shares to the Greek State (Note 6.2) were completed.

4. BASIS OF PREPARATION OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

4.1 BASIS OF PREPARATION

Basis of preparation of financial statements

The accompanying interim condensed consolidated and separate financial statements for the six- month period ended June 30, 2023, have been prepared in accordance with IAS 34 "Interim Financial Reporting", which determines the form and the content of the interim financial statements. Due to the fact that, the accompanying financial statements do not include all the information and disclosures required in the annual financial statement, they should be read in conjunction with the latest annual financial statements as at December 31, 2022 made publicly available.

The accompanying financial statements have been prepared under the historical cost convention except for tangible fixed assets (excluding mines land and lakes), financial assets that are measured at fair value through other comprehensive income and Derivative financial instruments that are measured at fair, assuming that PPC and its subsidiaries will continue as a going concern. The financial statements are presented in thousands of Euro and all values are rounded to the nearest thousand, except when otherwise indicated.

The interim condensed consolidated and separate financial statements for the six-month period ended June 30, 2023, have been prepared under the going concern principal as Management considers that the going concern principle is the appropriate basis for the preparation of the present financial information.

Approval of Financial Statements

The Parent Company's Board of Directors approved the accompanying financial statements on August 3, 2023.

4.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The preparation of the interim condensed consolidated financial statements in accordance with IFRS requires the use of significant accounting judgements and estimates. In addition, it requires the exercise of judgment by the Management in the process of application of the accounting principles. Significant estimates from Management for the application of the Company's accounting policies are highlighted where necessary. The estimates and judgments made by Management are described in detail in the financial statements as of December 31, 2022 and are continuously evaluated and based on empirical data and other factors including expectations for future events that are expected under reasonable circumstances.

In the first half of 2023, Power Purchase Agreements with energy-intensive industrial customers were signed. As a result, the Group and the Parent Company included in their significant accounting judgements and estimates the below:

Power Purchase Agreements
The Group and the Parent Company examines its Power Purchase Agreements (PPAs) of energy and in case that do not comply with the requirements of IFRS 10 for the existence of control over one or more assets, and IFRS 16 for the recognition of a lease, but comply with the definition of a derivative under IFRS 9, are accounted for as derivative financial instruments to the extent that the criteria for the exemption from IFRS 9, as own use/ executory contracts, are not met. Moreover, Power Purchase Agreements (PPAs) that combine periods with physical delivery and without physical delivery with a financial settlement in the same contract, it is examined whether they are two different accounting transactions and if they have different accounting treatment based on the terms they include.

In addition, the Group and the Parent Company included in their principal accounting policies in **derivative financial instruments** the below:

The Group and the Parent Company review the power purchase agreements (PPAs) and if they do not comply with the requirements of IFRS 10 for the existence of control over one or more assets and IFRS 16 for the recognition of a lease, but comply with the definition of a derivative in accordance with IFRS 9, they are accounted for as derivative financial instruments to the extent that the criteria for exemption from IFRS 9 as own use are not met. Therefore, the contracts for delivery of non -financial assets in accordance with the expected sales/purchases of the Group and the Parent Company that meet the criteria for exemption from IFRS 9, are not accounted for as derivative financial instruments, but as executory contracts. If the contracts contain embedded derivatives, the embedded derivatives are accounted for separately from the host contract, as far as the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host contract.

New standards, amendments to standards and interpretations adopted by the Company and the Group

The accounting principles on the basis of which the interim separate and consolidated financial statements were prepared were consistent with those used in the preparation of the annual separate and consolidated financial statements for the year ended December 31, 2022 with the exception of the following amendments and standards, which were adopted by the Group and the Parent Company on January 1, 2023 and did not have a significant impact on the interim condensed separate and consolidated financial statements for the six month period ended on June 30, 2023 and the change in the accounting estimate of the provision for expected credit losses of trade receivables of Low Voltage customers (Note 15).

Moreover, new standards, amendments to standards and interpretations were published that are mandatory for accounting periods commencing on January 1, 2023 and thereafter.

- **IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)**
  The amendments narrow the scope of and provide further clarity on the initial recognition exception under IAS 12 and specify how companies should account for deferred tax related to assets and liabilities arising from a single transaction, such as leases and decommissioning obligations.
  The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement, having considered the applicable tax law, whether such deductions are attributable for tax purposes to the liability or to the related asset component.
  Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of

4.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

- **IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments)**
  The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies.
  Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures.

- **IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments)**
  The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify what changes in accounting estimates are and how they differ from changes in accounting policies and error corrections.

  Also, the following amendment was issued which is applicable and has not yet been adopted by the European Union.

- **IAS 12 Income taxes: International Tax Reform - Pillar Two Model Rules (Amendments)**
  The amendments are effective immediately upon issuance, but certain disclosure requirements are effective later. The Organisation for Economic Co-operation and Development's (OECD) published the Pillar Two model rules in December 2021 to ensure that large multinational companies would be subject to a minimum 15% tax rate. On 23 May 2023, the IASB issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12. The amendments introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities on the potential exposure to Pillar Two income taxes. The Amendments require, for periods in which Pillar Two legislation is (substantively) enacted but not yet effective, disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period. The disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023, but are not required for any interim period ending on or before 31 December 2023. The amendments have not yet been endorsed by the EU.

Standards and Interpretations which are mandatory for subsequent periods and have not been applied earlier by the Company and the Group

The following new standards, amendments to standards and interpretations have been issued but are mandatory for subsequent periods. The Company and the Group have not yet applied the following standards.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**
  The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the application of the amendments to its financial statements.

4.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification.

  Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period. The amendments have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the application of the amendments to its financial statements.

- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)**
  The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognizing, in profit or loss, any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16. The amendments have not yet been endorsed by the EU. The Group is in the process of assessing the effect of applying the amendments to its financial statements.

- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable. Furthermore, the amendments require an entity to disclose at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements. The amendments have not yet been endorsed by the EU. The Group is in the process of assessing the effect of applying the amendments to its financial statements.

(All amounts in thousands of Euro, unless otherwise stated)

5. REVENUES AND SEASONALITY OF OPERATIONS

Revenues are analyzed as follows:

	Group		Company	
	01.01.2023 - 30.06.2023	**01.01.2022 - 30.06.2022**	**01.01.2023 - 30.06.2023**	**01.01.2022 - 30.06.2022**
Electricity and natural gas sales				
- High voltage	252,563	306,664	246,634	322,175
- Medium voltage	474,546	693,302	476,784	695,940
- Low voltage	2,415,748	3,131,909	2,415,748	3,131,967
- Renewable Energy Sources	19,336	15,074	-	-
- Revenues from natural gas sales	16,457	4,632	16,481	4,632
	3,178,650	**4,151,581**	**3,155,647**	**4,154,714**
Other sales				
- Customers' contributions	49,100	47,745	124	124
- Public Service Obligations	34,137	(94,048)	34,137	(94,048)
- Distribution Network Revenues	149,056	141,407	-	-
- Income from the sale of electricity from NII thermal units	140,082	107,743	140,082	107,743
- Other	30,969	37,858	18,672	34,724
	403,344	**240,705**	**193,015**	**48,543**
Total	**3,581,994**	**4,392,286**	**3,348,662**	**4,203,257**

Seasonality of operations

PPC's operation is subject to seasonality due to the increased demand for electricity during the summer and winter months, a trend which is not reflected in its operating results as these are affected by external factors (e.g. fuel prices, hydrological conditions etc.).

(All amounts in thousands of Euro, unless otherwise stated)

6. PARTIAL SALE OF A SUBSIDIARY (DISTRIBUTION NETWORK)

On December 15, 2020, PPC 's Board of Directors decided the approval and publication of Invitation to submit an Expression of Interest (EoI) for the sale of a minority stake of PPC's participation in its 100% subsidiary HEDNO and thus proceeded to an Invitation announcement in its website, according to which investors should express their interest until January 29, 2021, which date was extended to February 19, 2021.

On September 3, 2021, after the completion of the tender process for the sale of 49% of the share capital of HEDNO SA, 4 binding offers were submitted. The inspection of the technical files of the submitted bids by the competent services of PPC SA was completed on September 10, 2021. Spear WTE Investments Sarl, a member of Macquarie Infrastructure and Real Assets Group ("MIRA"), was the investor that submitted the highest bid, with an offer of € 1,312 million for the acquisition of 49% of the share capital of HEDNO SA.

On October 19, 2021, the Extraordinary General Meeting of PPC's Shareholders approved the sale of 49% of its participation in HEDNO to Macquarie Asset Management and on October 20, 2021 reached on an agreement with it.

For the completion of this transaction, a spin-off of PPC's Distribution network branch and contribution to its 100% subsidiary HEDNO took place. On November 30, 2021 ("spin-off date") the decision (2538559AP 30/11/2021) of the General Secretariat of Commerce and Consumer Protection was registered in the General Commercial Register (G.C.R.) which approved the spin-off of the Distribution Network branch of PPC and its contribution to the 100% subsidiary of HEDNO S.A. in exchange of shares based on the provisions of Law 1297/1972 on Provisions of tax incentive for business on merge and alteration, to corporate Law 4548/2018 of société anonyms and to Law 4601/2019 on Corporate Restructure. Specific matters for this Hive Down are regulated by article 129 (Corporate transformation of PPC SA - Addition of article 123A and amendment of articles 122 and 124 of law 4001/2011) of Law 4819/2021 (OG A ' 129 / 23-07-2021).

An additional requirement for the completion of the sale transaction was the approval of the new terms of the existing loan agreements contributed to HEDNO, which was achieved until February 28, 2022, the date when the sale of 49% of PPC's shareholding in HEDNO was completed to Macquarie Asset Management.

Specifically, on the above date PPC received € 1,320 million for the acquisition of the aforementioned percentage by Macquarie Asset Management through MSCIF DYNAMI BIDCO Soleshareholder S.A. The offer price has been adjusted to reflect the estimated change in the Net Asset Value of HEDNO until 28.2.2022, in accordance with the terms of the Share Purchase Agreement, while it became final in June 2022 based on the Actual Net Assets of HEDNO with reference date 28.02.2022, in which it received an additional consideration of €2.8 million.

The result from the sale of 49% in the investment of PPC in HEDNO, which was recognized in the financial statements of the Parent Company on February 28, 2022, the date that the conditions for the sale of the shareholding were met, amounted to €790 million and is analyzed as follows (amounts in euro):

Cash consideration on 28.02.2022	1,320,440,513
Additional cash consideration in June 2022	2,835,887
minus: 49% of the carrying value of the shareholding on HEDNO	(525,868,389)
minus: transaction costs	(7,387,500)
Gain from the partial sale of the investment in HEDNO	**790,020,511**

The transfer to Macquarie Asset Management of 49% of PPC's stake in HEDNO with minority shareholder rights does not affect PPC's control over its subsidiary under IFRS 10. On Group level, on 28 February 2022 Non-controlling interest was recognized in the consolidated Financial Statement amounting to € 637.2 corresponding to 49% of HEDNO's net assets attributed to minority interests, while the gain from the partial sale of the investment in HEDNO amounted to € 675.8 million including transaction costs (to € 678.6 million including the additional cash consideration in June 2022) and was included directly in the equity of the Group according to the provisions of IFRS10.

6. PARTIAL SALE OF A SUBSIDIARY (DISTRIBUTION NETWORK) (CONTINUED)

In addition, the Shareholders Agreement includes a written Put Option (sale) to Parent Company under certain conditions, of the shares acquired by Macquarie Asset Management to HEDNO, after 8 years and within 6 months from the date of the sale of 49% of the shareholding in HEDNO with exercise price at fair value. On February 28, 2022 a valuation of this liability was conducted and on Group level, a financial liability of € 1,410,833 was recognized, with an equivalent amount recorded directly in other reserves. On December 31, 2022, the financial liability increased by the financial cost and amounted to €1,420,017. Respectively, within the first half of 2023, the financial cost amounted to €5.5 million and increased equally the financial liability.

In the separate financial statements of the Parent Company, the Put Option (sale) with exercise price at fair value was treated as a derivative financial instrument and as its exercise price is the fair value of the shares, the Put Option (sale) on shares has no value. Furthermore, to note that the gain from the sale of 49% on HEDNO's shareholding is free of income tax.

Finally, on June 9, 2023, the General Assembly of HEDNO S.A. decided to distribute a dividend for the year ended on December 31, 2022 in the amount of €85 million, of which €41.65 million were allocated to the minority shareholders, which were paid to them on June 21, 2023.

In the Parent Company's financial statements, the dividend received by PPC on June 21, 2023 in the amount of € 43.35 million is included in financial income.

6.1 ABSORPTION OF LIGNITE SUBSIDIARIES

On June 1, 2022 ("absorption date"), the decision (2635846 AP1/06/2022) was registered in the General Commercial Register (G.C.R.) of the General Secretariat of Commerce and Consumer Protection, approving the merger of PPC S.A. with the absorption of 100% of the subsidiaries of Lignitiki Megalopolis S.A. and Lignitiki Melitis SA, in accordance with the provisions of articles 6-53 of Law 4601/2019, articles 48-49 of Law 4843/2021, Law 4172/2013, Law 4548/2018, the Valuation reports of the Certified Auditors dated 23.02.2022 and as well as with the Notarial deed no. 21.853.

The date of the absorption of the two lignite subsidiaries was set on November 30, 2021, the date on which the valuation of their Net Assets was carried out. The merger is considered completed on the date on which the relevant approval decision is made public in G.C.R. As mentioned in the Merger Deed with absorption, all deeds and transactions carried out from the reference date (November 30, 2021) until the date of the absorption (June 1, 2022) benefit and borne exclusively the lignite subsidiaries.

Therefore, the results of the interim period remained in the lignite subsidiaries, while the Assets and Liabilities on June 1, 2022 were transferred to PPC S.A.

The transaction at the level of separate financial statements is an exchange of the shares held by PPC in its 100% subsidiaries, with their net assets. The carrying values of the net assets of lignite subsidiaries constitute the acquisition cost of the net assets for the Parent Company. On Group level, the merger by absorption of the lignite subsidiaries is a transaction between related parties without commercial substance and therefore has no effect on the Group's consolidated financial statements.

The net assets absorbed by PPC on June 1, 2022 from the lignite subsidiaries were as follows:

(All amounts in thousands of Euro, unless otherwise stated)

6.1 ABSORPTION OF LIGNITE SUBSIDIARIES (CONTINUED)

	01.06.2022
Non-Current Assets	
Property, plant and equipment, net	33,384
Intangible assets, net	7
Other non- current assets	1,097
	34,488
Current Assets	
Inventories	35,055
Trade receivables	594
Other receivables	12,457
Cash and cash equivalents	69,201
	117,307
Total Assets	**151,795**
Total Equity	
Revaluation surplus	71,265
Other Reserves (actuarial gain or loss reserves)	4,446
Retained earnings	(13,099)
	62,612
Non- current liabilities	
Post-retirement benefits	11,621
Provision for risks	5,608
Deferred tax liabilities	3,645
Subsidies of Property, plant and equipment	2,808
	23,682
Current liabilities	
Trade and other payables	48,596
Accrued and other current liabilities	16,905
	65,501
Total Equity and Liabilities	**151,795**

6.2 ASSETS HELD FOR SALE (POST-LIGNITE EXPLOITATION OF THE CORE LIGNITE PHASE-OUT ZONES)

By Law 4956/2022 (OG A' 140/19.07.2022) the Programme Agreement was ratified and acquired the force of law on 19 July 2022 between the Greek State (Ministry of Development and Investments), the public interest company with the distinctive title METAVASI S.A. and PPC S.A., which provides for the spin-off of the branch Post-Lignite Exploitation of the Core Lignite Phase-out Zones of PPC (named "the branch") to its newly established subsidiary METALIGNITIKI S.A. and then in the sale of its shares to METAVASI S.A.

The programme agreement provides, inter alia, for the possibility of assigning to PPC the implementation of the new land uses and upgrading of the transferred lands, which are included in the attached topographic diagrams, the terms and conditions for their upgrading, the obligations, the monitoring of the execution of the contract, issues regarding the content of the rehabilitation works to be made by PPC and any other works that will be required for the implementation of the new land uses according to specific urban plans, the method of calculating and covering PPC's management costs, as well as the method of transferring to the State the ownership of the underlying land owned by PPC.

In particular, the terms and conditions of the transfer of the shares, issues concerning the value of the transferred shares in relation to the value of the assets of METALIGNITIKI S.A., the payment of the consideration for the acquisition of the shares with resources from the Recovery and Resilience Fund program are regulated and defined.

PPC S.A. may continue the activity of lignite-fired power generation and lignite mining for as long as lignite activity is allowed on the lands in question under the National Energy and Climate Plan as in force from time to time.

The branch includes the rights of all kinds on the properties (approximately 97 km2) included in the land of the Mines of Amynteo, Ptolemaida, Klidiou (Florina) and Megalopolis as specified in the topographical diagrams of the Programme Agreement, while it does not include the existing rights to search for and exploit solid fossil fuels that have been granted to PPC, which remain to PPC, as well as all kinds of permits and approvals, which are related to the mining activity.

On October 4, 2022, PPC's Board of Directors approved the initiation of the spin-off procedures for the branch with a spin-off date of July 31, 2022, as well as the basic terms of the draft Share Purchase Agreement between PPC, Metavasis S.A. and the Greek State.

On March 30, 2023, the Extraordinary General Meeting of PPC's Shareholders approved the spin-off of the branch with the establishment of a new entity and the Draft Demerger Plan including their appendixes.

The spin-off of the branch was completed on June 15, 2023 (decision G.E.MH. 2980019AP/15.06.2023) and its contribution to the 100% newly established subsidiary company METALIGNITIKI S.A. on June 16, 2023 with the establishment of the subsidiary (G.E.MH. 171168001000) in accordance with the provisions of Law 4872/2021 "Fair Developmental Transition, regulation of more specific de-lignitization issues and other urgent provisions", sanctioned by Law 4956 /2022 "Programme Agreement of par. 4 of article 155 of Law 4759/2020", of corporate Law 4548/2018 for anonyme sociate companies, Law 4601/2019 on Corporate Transformations and Tax Law 4172/2013.

On June 16, 2023, the share capital of METALIGNITIKI S.A., as a result of the spin-off and contribution of the above branch, was formed in the amount of € 162,182,483 as determined by the 31.10.2022 Valuation Report of the net asset value of the above contributed branch of PPC with a corresponding recognition of the contributed Property, plants and equipment at their fair value.

The spin-off and contribution of the branch was treated in the financial statements of the Parent Company as a transaction between companies under common control with a commercial substance, given the subsequent sale of the shareholding. The shares received were recognized as the cost of the investment in the subsidiary on June 16, 2023 at a value equal to the fair value of the net assets contributed to METALIGNITIKI S.A. and the Parent Company recognized in the Income Statement "Gain from the spin-off of the Post-Lignite Exploitation branch" amounting to € 141.6 million and resulted as follows:

(All amounts in thousands of Euro, unless otherwise stated)

6.2 ASSETS HELD FOR SALE (POST-LIGNITE EXPLOITATION OF THE CORE LIGNITE PHASE-OUT ZONES) (CONTINUED)

	Balances at 15.06.2023 Amounts in euro
Fair value of net assets contributed (Property, plant and equipment)	162,182,483
Minus: carrying value of transferred assets (Property, plant and equipment)	(20,623,239)
Gain from the spin-off of the Post-Lignite Exploitation branch	**141,559,244**

The fair value of the net assets (property, plant and equipment) contributed differs from their carrying value, as it has taken into account the valuation at fair value of property, plant and equipment based on the new use of land by the Greek State. At Group level, the spin-off had no effect on the Group's consolidated financial statements as it is a transaction between related parties.

On June 29, 2023, the transfer was completed and the sale of the shares of the 100% subsidiary METALIGNITIKI S.A. was completed to METAVASI S.A. in accordance with the Share Purchase Agreement for a consideration of €162.2 million, which is equal to the value of the spin-off branch. As a result, the Group lost control of the subsidiary and recognized in the Income Statement "Gain from the sale of subsidiary" amounting to €141,559,244 and in the Statement of Financial Position a Receivable from METAVASI S.A. of € 162,182,483 (€144.9 million after discounting) as the consideration for the sale of the shares of METALIGNITIKI S.A. On the same date, the Parent Company de-recognized the shareholding in the subsidiary METALIGNITIKI S.A. and recognized an equal amount of Receivable from METAVASI S.A.

The consideration for the sale of the shares will be paid gradually, assuming that METAVASI S.A. will be exclusively responsible to pay the invoices of the contractors and suppliers who will make the restoration works of the lands to be transferred, being a third party to the relevant PPC contracts. The handover of the restored lands from PPC to METAVASI S.A. it will be prefectural and with a landmark in August 2025, when their restoration work is expected to be completed.

The long-term portion of the discounted receivable from METAVASI S.A. is included in Other long-term Receivables and amounts to €84.5 million and the short-term portion of €60.4 million is included in Other Receivables of the Group and the Parent Company.

Information for Assets Held for Sale

Management of the Group and the Parent Company classified on July 31, 2022 the value of the contributed assets and liabilities of the branch (fixed assets only) as assets Held for Sale as the value of the contributed assets was expected to be recovered from the proceeds of the transaction of the sale of 100% of the shares of the newly established subsidiary METALIGNITIKI S.A.

Pursuant to IFRS 5 para 15, before the classification on July 31, 2022 of the contributed net assets of the branch as Assets Held for Sale in the separate and consolidated financial statements, an impairment test was carried out, in order to be measured at the lower of their carrying amount and their recoverable amount, which was determined as the fair value less cost to sale. From the above valuation carried out on July 31, 2022, the carrying values of net assets were lower than their recoverable amount and therefore no adjustment was made.

Furthermore, due to the classification of the contributed net assets of the branch as Assets held for sale, as of December 31, 2022 the contributed net Assets were presented in the separate and consolidated statement of the financial position in the current assets as “Assets held for sale”.

From the date of classification as Assets Held for Sale, until June 16, 2023 for the Parent Company and until June 29, 2023 for the Group, no depreciation was calculated for the contributed fixed assets in accordance with the provisions of IFRS 5. If the Group and Parent Company had accounted for depreciation, those would amount to € 4 million for the period 01.08.2022-31.12.2022 and to €0.2 million for the period 01.01.2023-29.06.2023 respectively for property, plant and equipment.

(All amounts in thousands of Euro, unless otherwise stated)

7. INCOME TAXES (CURRENT AND DEFERRED)

	Group		Company	
	30.06.2023	**30.06.2022**	**30.06.2023**	**30.06.2022**
Current income tax	16,144	22,047	-	-
Deferred income tax	81,943	(9,103)	91,402	6,218
Total income tax	**98,087**	**12,944**	**91,402**	**6,218**

According to the last amendment of the Income Tax Code L.4172/2013, as amended by Law 4799/2021 (OG A' 78/18-05-2021), the income tax rate for the legal entities residing in Greece for the income of the fiscal year 2021 and onwards is set at 22%. Moreover, income tax prepayment for the following year is set to 80%.

Tax returns for companies residing in Greece are filed annually but profits or losses declared remain provisional, until the tax authorities audit the Company's returns and records and a final tax audit report is issued. A corresponding obligation exists for foreign subsidiaries in accordance with local provisions.

The Group establishes a provision, if deemed necessary, per company and on a case by case basis, against any possible additional taxes being imposed by the tax authorities.

Based on the applicable Income Tax Code, from the fiscal year 2011 and onwards, for the Group's companies residing in Greece the Statutory Auditors issue an "Annual Tax Compliance Report" after conducting a tax audit at the same time with the financial audit ("tax certificate").

The tax audit is conducted on particular tax areas, specified by an audit program, according to the provisions of the tax law. Audit matters which are not covered by the above-mentioned decision are dealt with in accordance to the ISAE 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information".

From January 1st, 2016 and onwards, pursuant to Law 4410/2016, the issuance of the tax certificate became optional, however, the Group continues to apply the procedure for its issuance by the Statutory Auditors for subsidiaries residing in Greece.

The audit for the issuance of the tax certificate for the year 2022 is in progress, while Management estimates that no additional tax liabilities are expected for the Group and the Parent Company that will have a significant impact on the financial statements until its issuance.

Tax Audit by the Large Businesses Audit Center

On 27.7.2022, the Parent Company was notified through orders received by the Large Businesses Audit Center for a partial tax authorities audit for the years 2017 and 2018. The tax audit is in progress.

(All amounts in thousands of Euro, unless otherwise stated)

7. INCOME TAXES (CURRENT AND DEFERRED) (CONTINUED)

Tax unaudited years for the Parent Company and the subsidiaries of the Group are presented in the following table:

Company	Country	Unaudited years since
PPC S.A. (Parent Company)	Greece	2017
PPC RENEWABLES S.M.S.A.	Greece	2017
HEDNO S.A.	Greece	2017
ARCADIAN SUN ONE S.M.S.A.	Greece	2017
ARCADIAN SUN TWO S.M.S.A.	Greece	2017
SOLAR ARROW ONE S.M.S.A.	Greece	2017
AMALTHIA ENERGY S.M.S.A.	Greece	2017
SOLARLAB S.M.S.A.	Greece	2017
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	Greece	2017
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	Greece	2017
PPC FINANCE PLC	United Kingdom	2009
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2017
AIOLIKO PARKO K-R S.M.S.A PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2017
AIOLIKO PARKO KOUKOULI S.M.S.A PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2020
AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2020
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	Greece	2017
KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.	Greece	2017
AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA	Greece	2017
CARGE S.A.	Greece	2020
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	Greece	2022
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	Greece	2022
PPC (Public Power Corporation) Romania S.A.	Romania	2023
PPC BULGARIA JSCo	Bulgaria	2014
PPC ELEKTRIK TEDARIK VE TICARET A.S.	Turkey	2014
PPC ALBANIA	Albania	2017
PHOEBE ENERGY S.M.S.A.	Greece	2017
ENERGEIAKOS STOCHOS S.M.S.A.	Greece	2017
WINDARROW ENERGEIAKI S.M.S.A.	Greece	2018
EDS AD Skopje	Republic of North Macedonia	2012
EDS DOO Belgrade	Serbia	2016
EDS International SK SRO	Slovakia	2012
EDS International KS LLC	Kosovo	2016
LIGNITIKI MELITIS S.A.*	Greece	30.06.2018- 01.06.2022
LIGNITIKI MEGALOPOLIS S.A. *	Greece	30.06.2018- 01.06.2022

* On 01.06.2022 the lignite subsidiaries LIGNITIKI MELITIS S.A. and LIGNITIKI MEGALOPOLIS S.A. were absorbed by PPC S.A. (Note 6.1)

(All amounts in thousands of Euro, unless otherwise stated)

8. INVESTMENTS IN SUBSIDIARIES

The direct subsidiaries of the Parent Company and the value of their investment are as follows:

		Company	
	Note	**30.06.2023**	**31.12.2022**
HEDNO S.A.		547,332	547,332
PPC RENEWABLES S.M.S.A.		455,608	455,608
PPC FINANCE PLC		59	59
PPC BULGARIA JSCo		850	522
PPC ELEKTRIK TEDARIK VE TICARET A.S.		1,350	1,350
PPC ALBANIA		490	490
EDS AD Skopje		10,300	10,300
CARGE S.A.		621	621
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.		19,484	3,236
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	3	30,000	-
PPC (Public Power Corporation) Romania S.A.		25	-
		1,066,119	**1,019,518**

The consolidated financial statements include the financial statements of PPC and its subsidiaries (full consolidation).

In May 2022, the Board of Directors of the Parent Company decided the share capital increase of the 100% subsidiary PPC RENEWABLES S.M.S.A with cash transfer of €150 million, that the subsidiary received in June 2022. Also, in December 2022, the Board of Directors of the Parent Company decided to further increase the share capital of the 100% subsidiary company PPC RENEWABLES S.M.S.A by €150 million, which the subsidiary received within December 2022.

PPC S.A. purchased on December 20, 2022 the 51% of the shares of the company "ALEXANDROUPOLIS ELECTRICITY PRODUCTION SINGLE MEMBER S.A." from the company Damco Energy paying an amount of €3.2 million. The remaining shareholders of the company are DEPA supply with 29% and Damco Energy with 20%. The new subsidiary company plans the construction and operation of a new natural gas-fired power plant, with a nominal capacity of 840 MW, in Alexandroupolis (Note 14).

At the extraordinary General Assembly of the subsidiary company held on February 2, 2023, the shareholders committed to the disbursement of cash amounting to €106.2 million, of which €31.8 million is intended for a share capital increase and €74.4 million for the issuance of a joint bond loan.

PPC paid on February 9, 2023 the amount of €54.162 million out of which €37.9 million are included in other current receivables of the Parent Company and €16.2 million increased PPC's investment in subsidiary. On Group level, a long-term liability to non-controlling interest was recognized for the amount of €36.4 million which is intended to be used for the issuance of a joint bond loan (it is included in other non-current liabilities) and the remaining amount of €15.6 million, regarding the increase in share capital, increased the Non-controlling interest in total equity, or funds of € 52.0 million inflowed into the Group.

With the extraordinary General Meeting of the subsidiary company held on June 14, 2023, the increase in the share capital was approved by the above amount of €31.8 million. Also, on July 3, 2023, the contract for the issuance of a subordinated unsecured joint bond loan between the shareholders, for an amount up to €157.27 million, was signed (Note 16).

On April 20, 2023 PPC acquired the remaining share of 15% of the subsidiary PPC BULGARIA JSCO for a consideration of €328 thousands and as a result it is now a 100% subsidiary.

(All amounts in thousands of Euro, unless otherwise stated)

8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The subsidiaries of the Group are as follows:

Subsidiaries	Ownership Interest 30.06.2023	31.12.2022	Country and Year of Incorporation	Principal Activities
PPC RENEWABLES S.M.S.A.	100%	100%	Greece 1998	RES
HEDNO S.A.	51%	51%	Greece, 1999	HEDN
ARCADIAN SUN ONE S.M.S.A.	100%	100%	Greece, 2007	RES
ARCADIAN SUN TWO S.M.S.A.	100%	100%	Greece, 2007	RES
SOLAR ARROW ONE S.M.S.A.	100%	100%	Greece, 2007	RES
AMALTHIA ENERGY S.M.S.A.	100%	100%	Greece, 2007	RES
SOLARLAB S.M.S.A.	100%	100%	Greece, 2007	RES
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	100%	100%	Greece, 2007	RES
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	100%	100%	Greece, 2007	RES
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS **	100%	100%	Greece, 2014	RES
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS **	100%	100%	Greece, 2017	RES
AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS **	100%	100%	Greece, 2020	RES
AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS **	100%	100%	Greece, 2020	RES
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS **	100%	100%	Greece, 2007	Supply of power
CARGE S.A. *	100%	100%	Greece, 2020	Management of HO charging points and development of billing applications
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.****	51%	51%	Greece, 2022	Generation of power under development
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. *****	100%	100%	Greece, 2022	Installation-operation of Telecommunications
PPC FINANCE PLC	100%	100%	UK, 2009	Financing Services
PPC BULGARIA JSCo	100%	85%	Bulgaria, 2014	Supply of power
PPC ELEKTRIK TEDARIK VE TICARET A.S.	100%	100%	Turkey, 2014	Supply of power
PHOEBE ENERGY S.M.S.A.	100%	100%	Greece, 2007	RES
PPC ALBANIA	100%	100%	Albania, 2017	Supply of power
ENERGEIAKOS STOCHOS S.M.S.A. ***	100%	100%	Greece 2017	RES
PPC (Public Power Corporation) Romania S.A.******	100%	-	Romania,2023	Supporting Services
WINDARROW ENERGEIAKI S.M.S.A. ***	100%	100%	Greece 2018	RES
KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.*******	100%	-	Greece, 2017	RES
AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA *******	100%	-	Greece 2017	RES
EDS AD Skopje	100%	100%	Republic of North Macedonia, 2012	Supply of power
EDS DOO Belgrade	100%	100%	Serbia, 2016	Supply of power
EDS INTERNATIONAL SK SRO	100%	100%	Slovakia, 2012	Supply of power
EDS INTERNATIONAL KS LLC	100%	100%	Kosovo, 2016	Supply of power

8.INVESTMENTS IN SUBSIDIARIES (CONTINUED)

* On June 9, 2022, the Parent Company acquired the electric mobility service provider CARGE S.A. paying the amount of €621 thousand and the amount of €247 thousand for the redemption of loans given by third parties to CARGE SA. CARGE specializes in the development of innovative software for applications which, among other things, enable the user to navigate through a digital map arriving at the charging station by the best and fastest route.

**It should be noted that the companies named AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS, AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS, AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS, AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS were initially named as VOLTERRA K-R SINGLE MEMBER S.A., VOLTERRA LYKOVOUNI SINGLE MEMBER S.A., VOLTERRA DOUKAS SINGLE MEMBER S.A., VOLTERRA KOUKOULI SINGLE MEMBER S.A. The change in their legal name occurred with the new statutes as of August 2022.

***On 16/12/2022, the company “GEOTHERMAL TARGET SINGLE MEMBER S.A.” was renamed to “ENERGEIAKOS STOCHOS SINGLE MEMBER S.A.” and on 15/12/2022 the company “WINDARROW MOUZAKI ENERGY SINGLE MEMBER S.A.” was renamed to “WINDARROW ENERGEIAKI S.M.S.A.”

**** “ALEXANDROUPOLIS ELECTRICITY PRODUCTION SINGLE MEMBER S.A.” was acquired on 20.12.2022 and on 01.02.2023 was renamed to “ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.”

***** “DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.” was established on 21.12.2022.

****** PPC (Public Power Corporation) Romania S.A was incorporated on 15.03.2023 and in its share capital PPC S.A. participates by 99% and PPC RENEWABLES S.M.S.A. by 1%.

******* “KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.” and “AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA” were acquired on 31.01.2023 by “WINDARROW ENERGEIAKI S.M.S.A.” and belong to it by 100% (Note 3).

(All amounts in thousands of Euro, unless otherwise stated)

9. INVESTMENTS IN ASSOCIATES

The Group's and the Parent Company's associates as of June 30, 2023 and December 31, 2022 are as follows (equity method):

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
PPCR-ROKAS INDUSTRIAL AND COMMERCIAL S.A.	3,022	2,787	-	-
PPCR - TERNA ENERGY S.A.	2,665	2,426	-	-
DEI ANANEOSIMES - NANKO ENERGEIA M.Y.I.E GITANI ANONYMOS ETAIREIA	2,398	2,191	-	-
PPCR - MEK ENERGY S.A OF ELECTRICITY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY	441	652	-	-
DEI ANANEOSIMES – ELLINIKI TECHNODOMIKI TEV - ENERGEIAKI ANONYMOS ETAIREIA	2,907	2,734	-	-
PPCR - EDF RENEWABLES HELLAS S.A OF ELECTRICITY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY	8,715	8,429	-	-
WIND PARK LOUKO S.A.	1	3	-	-
WIND PARK MPAMPO VIGLIES S.A.	-	1	-	-
WIND PARK KILIZA S.A.	6	7	-	-
WIND PARK LEFKIVARI S.A.	3	4	-	-
WIND PARK AGIOS ONOUFRIOS S.A.	8	9	-	-
OROS ENERGY S.A.	338	303	-	-
GREENESCO ENERGY S.A.	736	393	-	-
BALIAGA S.A.	551	626	-	-
TEICHIO S.A.	659	713	-	-
PIVOT SOLAR S.A.	558	696	-	-
GEOTHERMAL TARGET TWO (II) S.A.	115	6	-	-
METON ENERGY S.A.	2,046	37,651	-	-
NVISIONIST S.A.	287	500	500	500
HELLENIC HYDROGEN S.A.	6,420	-	6,468	-
WASTE SYCLO S.A.	16	16	37	37
Total	**31,892**	**60,147**	**7,005**	**537**

Cooperation with RWE Business Group for the joint development of RES projects

In October 2021, PPC S.M.S.A and RWE Renewables GmbH have signed the Joint Venture Formation Agreement and the Shareholders' Agreement, with the aim of jointly contributing and implementing photovoltaic stations with a total installed capacity of up to 2 GW through a JV investment vehicle (JVCo). In this context, in August 2021, 9 subsidiaries were established (companies "AMYNTEO") in Amynteo, Florina, for the creation of photovoltaic projects with a total capacity of up to 940 MW, which are in Western Macedonia, within the former Lignite Mine Amynteo.

On January 14, 2022, the process of the contribution in kind to METON ENERGY S.A was completed from PPC RENEWABLES S.M.S.A, of the shares of its 9 subsidiaries AMYNTEO which were valued on August 2, 2021 at € 75,185 by Certified Public Accountants and acquired 49% of its shareholding, while RWER, contributed the amount of € 78,254 to METON ENERGY and acquired 51% of its shareholding. In parallel, RWER has already secured a portfolio of photovoltaic projects of a similar size in Greece, which is expected to be contributed to METON. Photovoltaic projects are in various stages of development, while the first projects are expected to start operating in 2023.

9. INVESTMENT IN ASSOCIATES (CONTINUED)

Group treated this transaction as a contribution in kind of the net assets of its 100% subsidiaries (with loss of control) and recognition of shareholding in the fair value of 49% in the associate company METON ENERGY S.A. and its consolidation with the equity method.
On January 14, 2022, the Group recognized in the Income Statement "Gain from associates" amounting to € 38.1 million as it lost control of these assets while it recognized shareholding in associates amounting to € 38.7 million.
The Certified Public Accountants estimated the fair value of the 9 subsidiaries at € 153.4 million using the Cash Flow Discount method based on the Business Plan of the 9 subsidiaries for the period 2021 to 2058.

On June 30, 2023, a valuation was carried out by the associate company METON ENERGY S.A. for financial power purchase agreements signed with energy-intensive industrial electricity consumers. From this valuation, a valuation loss of €70 million arose, of which an amount of €34.3 million was recorded in the Group's Statement of Comprehensive Income based on the percentage of participation in the associate (49%).

Acquisition of RES portfolio subsidiaries in the first half of 2022

The Group, through its subsidiary PPC RENEWABLES S.M.S.A, entered into an agreement to purchase 100% of the shares of subsidiary companies of Volterra, paying a price of €59.7 million on June 22, 2022.
Specifically, the Group acquired 55% of the shares of Volterra K-R SA and Volterra LYKOVOUNI SA, in which it was already a 45% shareholder in each company as of 2019. Volterra K-R SA and Volterra LYKOVOUNI SA own wind farms with a total capacity of 69.7 MW in Aitoloakarnania and Viotia.

Also, the Group acquired 100% of HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS which owns a photovoltaic park in operation with a capacity of 2.7 MW in Viotia, as well as the companies Volterra DOUKAS SA and Volterra KOUKOULI SA which own installation licenses for wind farms with a total capacity of 39.5 MW, the construction of which are scheduled to start immediately in Western Macedonia.

On the acquisition date, goodwill of €21.1 million was recognized in intangible assets that was not allocated to any specific intangible asset.

In addition, as the Group already owned 45% of the share capital in the companies Volterra K-R SA and Volterra LYKOVOUNI SA, it recognized on June 22, 2022 a gain from the valuation at fair value of its investment in associates on the date of their acquisition amounting to € 20.7 million, which is included in the Statement of Income in "Gains from associates ".

In accordance with IFRS3 on a step-by-step acquisition of an equity interest, the acquirer remeasures the equity interests previously held by the acquiree at fair value at the acquisition date and recognizes any gain or loss in the Statement of Income.

Acquisition of shareholding in Associate

On 22.09.2022, PPC S.A. acquired 33.34% of NVISIONIST S.A. for a consideration of € 500 thousand, while there is a term for an additional consideration based on specific conditions with closing date on 23.03.2023, which was postponed.

Shareholders' agreement with Motor Oil

On July 7, 2022, PPC signed a Shareholders' Agreement and on 23 January 2023 the new associate company "Hellenic Hydrogen S.A." was established, in which Motor Oil's stake is 51% of its share capital and PPC 49% of it, paying the amount of €6.5 million.

The new company will aim at the development of green hydrogen generation and storage projects in the country, thus facilitating Greece's energy transition to Net Zero CO_2 emissions.

9. INVESTMENT IN ASSOCIATES (CONTINUED)

Resolution of a Company

On 23/02/2023 GEMI approved the resolution of the associate company Waste Syclo S.A. in accordance with the decision of the General Assembly of its shareholders dated 16/01/2023.

(All amounts in thousands of Euro, unless otherwise stated)

9. INVESTMENT IN ASSOCIATES (CONTINUED)

The full list of the Group's and the Parent Company's associates are as follows:

Associates	Ownership Interest 30.06.2023	Ownership Interest 31.12.2022	Country and Year of Incorporation	Principal Activities
PPCR-ROKAS INDUSTRIAL AND COMMERCIAL S.A.	49.00%	49.00%	Greece, 2000	RES
PPCR - TERNA ENERGY S.A.	49.00%	49.00%	Greece, 2000	RES
DEI ANANEOSIMES - NANKO ENERGEIA M.Y.I.E GITANI ANONYMOS ETAIREIA	49.00%	49.00%	Greece, 2000	RES
PPCR - MEK ENERGY S.A OF ELECTRICITY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY	49.00%	49.00%	Greece, 2001	RES
DEI ANANEOSIMES – ELLINIKI TECHNODOMIKI TEV - ENERGEIAKI ANONYMOS ETAIREIA	49.00%	49.00%	Greece, 2004	RES
PPCR – EDF RENEWABLES HELLAS S.A. OF ELECTRICTY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY	49.00%	49.00%	Greece, 2007	RES
E.E.N VOIOTIA ENERGY S.A. [1]	46.55%	46.55%	Greece, 2007	RES
WIND PARK LOUKO S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK MPAMPO VIGLIES S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK KILIZA S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK LEFKIVARI S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK AGIOS ONOUFRIOS S.A.	49.00%	49.00%	Greece, 2008	RES
WASTE SYCLO S.A.	49.00%	49.00%	Greece, 2011	Waste Management
NVISIONIST S.A.	33.34%	33.34%	Greece, 2021	Specialized systems & software
HELLENIC HYDROGEN S.A. [6]	49.00%	-	Greece, 2023	Production, Storage & Supply of hydrogen
OROS ENERGY S.A.	49.00%	49.00%	Greece 2017	RES
GREENESCO ENERGY S.A. [2]	49.00%	49.00%	Greece 2017	En. Services
BALIAGA S.A. [3]	49.00%	49.00%	Greece, 2020	RES
TEICHIO S.A. [3]	49.00%	49.00%	Greece, 2020	RES
PIVOT SOLAR S.A. [3]	49.00%	49.00%	Greece, 2021	RES
GEOTHERMAL TARGET TWO (II) S.A.	49.00%	49.00%	Greece, 2020	RES
METON ENERGY S.A..	49.00%	49.00%	Greece, 2021	RES
IDEA FOS SINGLE MEMBER S.A. [5]	49.00%	49.00%	Greece, 2020	RES
AMYNTEO SOLAR PARK ONE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR PARK TWO SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece 2021	RES
AMYNTEO SOLAR PARK THREE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece 2021	RES
AMYNTEO SOLAR PARK FOUR SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR PARK FIVE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR PARK SIX SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR SEVEN SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece 2021	RES
AMYNTEO SOLAR EIGHT SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR NINE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES

(All amounts in thousands of Euro, unless otherwise stated)

9. INVESTMENT IN ASSOCIATES (CONTINUED)

1. It is consolidated by the associate company PPCR – EDF RENEWABLES HELLAS S.A. OF ELECTRICTY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY, as it participates in its share capital by 95%.
2. The subsidiary of PPC RENEWABLES S.M.S.A., AMALTHIA ENERGY S.M.S.A. purchased the 49% of this company.
3. The shareholding in the above companies by PPC RENEWABLES S.M.S.A. commenced on 7/5/2021 based on an agreement.
4. Investments through "METON ENERGY S.A.". The companies until January 14, 2022 were 100% subsidiaries of PPC RENEWABLES S.M.S.A., until they were transferred to "METON ENERGY S.A." for the acquisition of the 49% of its share capital. In the current financial statements those companies are consolidated with the equity method through "METON ENERGY S.A."
5. Investments through "METON ENERGY S.A." It is a new subsidiary of "METON ENERGY S.A." with shareholding 100% that was acquired on 26/10/2022. In the current financial statements, it is consolidated through "METON ENERGY S.A."
6. HELLENIC HYDROGEN S.A. was incorporated on 23/01/2023 with principal activity the production, storage and supply of hydrogen.

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The Parent Company's balances with its subsidiaries as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023		December 31, 2022	
	Receivables	(Payables)	Receivables	(Payables)
Subsidiaries				
PPC RENEWABLES S.M.S.A.	2,539	(116)	2,879	(92)
HEDNO S.A.	252,651	(348,254)	140,193	(248,802)
SOLAR PARKS WESTERN MAKEDONIA ONE S.M.S.A.	12	-	5	-
SOLAR PARKS WESTERN MAKEDONIA TWO S.M.S.A..	12	-	5	-
SOLAR ARROW ONE S.M.S.A.	176	-	51	-
ARKADIAN SUN ONE S.M.S.A.	26	-	7	-
ARKADIAN SUN TWO S.M.S.A.	7	-	2	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	-	(115)	-	-
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	1	(259)	-	-
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	-	(26)	-	-
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	37	-	-	-
CARGE S.A.	966	-	711	-
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	37,913	-	-	-
PPC FINANCE PLC	-	(124)	-	(118)
PPC ELEKTRIK TEDARIK VE TICARET A.S.	86	-	151	-
PPC BULGARIA JSCo	-	-	-	-
PPC ALBANIA	-	(18)	4	-
EDS AD Skopje	37,341	(604)	54,115	-
EDS DOO Belgrade	461	-	-	
EDS INTERNATIONAL SK SRO	-	(913)	-	-
Total	**332,228**	**(350,429)**	**198,123**	**(249,012)**

(All amounts in thousands of Euro, unless otherwise stated)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Parent Company's transactions with its subsidiaries for the period ended June 30, 2023 and June 30, 2022, respectively, are as follows:

	June 30, 2023		June 30, 2022	
	Income	**Expenses**	**Income**	**Expenses**
Subsidiaries				
PPC RENEWABLES S.M.S.A.	2,565	(665)	2,164	(1,517)
HEDNO S.A.	620,529	(710,267)	388,445	(625,111)
LIGNITIKI MEGALOPOLIS S.A.	-	-	52,002	(363)
LIGNITIKI MELITIS S.A.	-	-	31,647	-
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	16	-	16	-
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	15	-	15	-
SOLAR ARROW ONE S.M.S.A.	254	-	232	-
ARKADIAN SUN ONE S.M.S.A.	37	-	32	-
ARKADIAN SUN TWO S.M.S.A.	10	-	8	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	2	(619)	-	-
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	11	(2,648)	-	-
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	-	(79)	-	-
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	30	-		
PPC FINANCE PLC	5	-	-	-
PPC ELEKTRIK TEDARIK VE TICARET A.S.	-	(65)	-	(103)
PPC BULGARIA JSCo	-	-	1	-
PPC ALBANIA	-	(108)	-	-
EDS AD Skopje	993	(4,070)	18,582	(1,555)
EDS DOO Belgrade	461	-	-	-
EDS INTERNATIONAL SK SRO	8,331	-	-	-
Total	**633,259**	**(718,521)**	**493,144**	**(628,649)**

Due to the absorption of the lignite subsidiaries by the Parent Company on June 1, 2022 (Note 6.1), the provision for expected credit losses for the trade receivables of the lignite subsidiaries of € 29.7 million as of June 1, 2022 were reversed (income) in favor of the results of the period ended as of June 30, 2022. This reversal was included in "Provision for expected credit losses" in the Income Statement of the Parent Company for the period ended on June 30, 2022.

(All amounts in thousands of Euro, unless otherwise stated)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Guaranties in favor of subsidiaries/associates

As of 30.06.2023, the Parent Company has provided a guarantee to its subsidiary PPC RENEWABLES S.M.S.A. for a total credit line of up to € 8.0 million, through overdraft facilities, out of which an amount of € 418 thousands has been used relating to letters of guarantee.

As of 30.06.2023, the Parent Company is a guarantor in loans of the subsidiary company EDS AD Skopje for working capital of € 32 million, of which € 4.4 million has been used to issue letters of guarantee.

As of 30.06.2023, the Parent Company has issued letters of guarantee on Producer Licenses verification for Wind Parks of a total amount € 137.9 million on behalf of PPC RENEWABLES S.M.S.A.

On February 21, 2022, bank deposits of €21 million the Parent Company were pledged on behalf of a loan of the subsidiary EDS.

The Parent Company has issued letters of guarantee amounting to €2.35 million, €1.81 million and €0.69 million in favor of the associate companies AMYNTEO SOLAR PARK EIGHT SINGLE MEMBER S.A., AMYNTEO SOLAR PARK SEVEN SINGLE MEMBER S.A. and AMYNTEO SOLAR PARK FOUR SINGLE MEMBER S.A. in the framework of the 15-year power purchase agreements with financial settlement signed between the parties on June 2, 2023. These contracts will be in effect in a future date when certain conditions will be met. The above guarantees are valid until June 6, 2024 and will be further renewed following the terms of the power purchase agreements

Significant transactions and balances with other companies into which the Greek State participates

The following table presents transactions and balances with companies HELLENiQ ENERGY Holdings S.A. and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively, and into which the Greek State participates. Additionally, transactions and balances with DAPEEP S.A., HEnEx S.A., ENEXCLEAR S.A., IPTO S.A., and LARCO S.A. are presented. The below tables include also accrued receivables and payables and accrued income and expenses.

	1.1.2023 – 30.06.2023		1.1.2022 – 30.06.2022	
	Income	**Expenses**	**Income**	**Expenses**
HELLENiQ ENERGY Holdings S.A.	-	(59,280)	-	(130,253)
DEPA S.A.	-	(160,487)	-	(522,277)
DAPEEP S.A.	2,042,698	(133,058)	74,764	(187,115)
HEnEx S.A.	-	(1,762)	-	(1,421)
IPTO S.A.	342	(88,051)	380	(34,754)
ENEXCLEAR S.A.	1,268,330	(2,267,229)	2,702,462	(4,527,596)
LARCO S.A.	985	-	13,234	-

	June 30, 2023		December 31, 2022	
	Receivables	**(Payables)**	**Receivables**	**(Payables)**
HELLENiQ ENERGY Holdings S.A.	-	(33,955)	-	(88,134)
DEPA S.A.	-	(23,571)	-	(119,977)
DAPEEP S.A.	564,674	(47,691)	474,910	(59,134)
HEnEx S.A.	-	(8)	-	(7)
IPTO S.A.	14,619	(13,145)	14,625	(18,629)
ENEXCLEAR S.A.	10,557	(21,263)	43,693	(61,345)
LARCO S.A.	358,995	-	367,542	-

(All amounts in thousands of Euro, unless otherwise stated)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

PPC's total receivables from LARCO S.A., are fully covered by a provision for expected credit losses.

In addition to the above-mentioned transactions, PPC enters into commercial transactions with many state-owned entities, both profit and non for profit, within its normal course of business (sale of electricity, services received, etc.). All transactions with state-owned entities are performed at arm's length terms and are not disclosed, with the exception of transactions that the Group and the Parent Company enter into with the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) and the companies in which HCAP S.A. participates. The Group's and the Parent Company's balances as of June 30, 2023 and December 31, 2022 with HCAP S.A. and the companies, in which HCAP S.A. participates, are presented below:

	GROUP		COMPANY	
	June 30, 2023		June 30, 2023	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	1,292	-	1,265	-
ELTA S.A.	821	(3,572)	-	(3,485)
ELTA COURIER S.A.	1	(64)	-	(16)
EYDAP S.A.	5,939	(49)	5,939	(3)
ETVA INDUSTRIAL PARKS S.A.	450	(18)	450	(16)
THESSALONIKI INTERNATIONAL FAIR S.A.	138	(4)	138	(4)
ODIKES SYNGKOINONIES S.A.	14,473	-	14,473	-
PUBLIC PROPERTIES COMPANY S.A.	6,845	-	6,845	-
URBAN RAIL TRANSPORT S.A.	28,178	-	28,178	-
C.M.F.O. S.A.	168	-	168	-
O.A.S.A. S.A.	12	-	12	-
CENTRAL THESSALONIKI MARKET S.A.	1	-	1	-
E.Y.A.TH. S.A.	3,851	-	3,850	-
HELLENIC SALTWORKS S.A.	4	-	4	-
MANAGEMENT INDUSTR.PARK KASTORIA	1	-	1	-
GEA OSE S.A.	11	-	2	-
AEDIK	6	-	6	-
TOTAL	**62,191**	**(3,707)**	**61,332**	**(3,524)**

	GROUP		COMPANY	
	December 31, 2022		December 31, 2022	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	1,683	(11)	1,642	(11)
ELTA S.A.	983	(3,148)	-	(3,041)
ELTA COURIER S.A.	2	(343)	2	(293)
EYDAP S.A.	10,843	(54)	10,843	(12)
ETVA INDUSTRIAL PARKS S.A.	803	(27)	803	(21)
ODIKES SYNGKOINONIES S.A.	10,311	-	10,311	-
PUBLIC PROPERTIES COMPANY S.A.	6,699	-	6,699	-
URBAN RAIL TRANSPORT S.A.	19,224	-	19,224	-
C.M.F.O. S.A.	137	-	137	-
O.A.S.A. S.A.	5	-	5	-
E.Y.A.TH. S.A.	7,029	-	7,028	-
GEA OSE S.A.	2	(1)	-	-
AEDIK	7	-	7	-
HELLENIC SALTWORKS S.A.	-	(1)	-	(1)
TOTAL	**57,728**	**(3,585)**	**56,701**	**(3,379)**

(All amounts in thousands of Euro, unless otherwise stated)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

The Group's and the Parent Company's transactions with HCAP S.A. and the companies, in which HCAP S.A. participates, for the six-month periods ended on June 30, 2023 and June 30, 2022 are presented below:

	GROUP 1.1.2023 – 30.06.2023		COMPANY 1.1.2023 – 30.06.2023	
	Income	**Expenses**	**Income**	**Expenses**
HCAP S.A.	10	-	10	-
ATHENS INTERNATIONAL AIRPORT S.A.	342	-	247	-
ELTA S.A.	2,256	(5,666)	3	(5,645)
ELTA COURIER S.A.	3	(42)	3	(37)
EYDAP S.A.	21,565	(71)	21,551	(49)
ETVA INDUSTRIAL PARKS S.A.	1,034	(20)	1,034	(13)
THESSALONIKI INTERNATIONAL FAIR S.A.	796	(3)	796	(3)
ODIKES SYNGKOINONIES S.A.	3,649	(3)	3,649	-
PUBLIC PROPERTIES COMPANY S.A.	1,762	-	1,762	-
URBAN RAIL TRANSPORT S.A.	27,030	(1)	17,030	-
C.M.F.O. S.A.	1,218	-	1,218	-
O.A.S.A. S.A.	69	-	69	-
THESSALONIKI CENTRAL MARKET S.A.	108	-	108	-
CASINO PARNITHA	3	-	3	-
E.Y.A.TH. S.A.	14,753	(4)	14,744	-
HELLENIC SALTWORKS S.A.	107	-	107	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	3	-	3	-
GAIAOSE S.A.	13	-	13	-
A.E.DI.K.	17	-	17	-
Total	**74,738**	**(5,810)**	**62,367**	**(5,747)**

	GROUP 1.1.2022 – 30.06.2022		COMPANY 1.1.2022 – 30.06.2022	
	Income	**Expenses**	**Income**	**Expenses**
HCAP S.A.	15	-	15	-
ATHENS INTERNATIONAL AIRPORT S.A.	1,181	(8)	1,070	(8)
ELTA S.A.	3,516	(6,605)	4	(5,818)
ELTA COURIER S.A.	11	(135)	11	(116)
EYDAP S.A.	22,333	(118)	22,276	(97)
ETVA INDUSTRIAL PARKS S.A.	1,212	(19)	1,212	(18)
THESSALONIKI INTERNATIONAL FAIR S.A.	947	(40)	947	(40)
ODIKES SYNGKOINONIES S.A.	4,264	(6)	4,264	-
PUBLIC PROPERTIES COMPANY S.A.	2,138	-	2,138	-
URBAN RAIL TRANSPORT S.A.	27,167	-	27,167	-
C.M.F.O. S.A.	1,289	-	1,289	-
O.A.S.A. S.A.	46	-	46	-
E.Y.A.TH. S.A.	15,850	(2)	15,849	-
HELLENIC SALTWORKS S.A.	138	-	138	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	4	-	4	-
GAIAOSE S.A.	17	-	17	-
A.E.DI.K.	19	-	19	-
Total	**80,147**	**(6,933)**	**76,466**	**(6,097)**

(All amounts in thousands of Euro, unless otherwise stated)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Management remuneration

Management remuneration (Board of Directors' members and General Managers) for the six-month period ended on June 30, 2023 and June 30, 2022 is as follows:

	GROUP		COMPANY	
	30.06.2023	**30.06.2022**	**30.06.2023**	**30.06.2022**
Remuneration of the Board of Directors' members				
- Remuneration of executive members	581	446	399	235
- Remuneration of non-executive members	183	135	-	-
- Compensation / Extraordinary fees / Other Benefits	452	137	452	103
- Employer's Social Contributions	121	110	65	43
	1,337	**828**	**916**	**381**
Remuneration of the Deputy Chief Executive Officers and General Managers				
- Regular remuneration	1,164	1,188	779	777
- Employer's Social Contributions	198	180	149	129
- Compensation / Extraordinary fees	966	-	966	-
	2,328	**1,368**	**1,894**	**906**
Total	**3,665**	**2,196**	**2,810**	**1,287**

Remuneration to members of the Board of Directors does not include standard salaries and employer's social contribution, relating to the representatives of employees that participate in the Parent Company's Board of Directors. Also, it does not include the benefit of electricity supply based on the PPC personnel tariff to the executive members of the Board of Directors, the Deputy Chief Executive Officers and the General Managers.

Moreover, an additional incentive has been approved, to be provided in the form of equity settled stock awards. As to date, the key Efficiency Ratios for this benefit have not been defined and as such it is not possible, at present, to determine the fair value of the free shares right of stock awards.

11. SHARE CAPITAL AND SHARE PREMIUM

Under Law 2773/1999 and P.D. 333/2000, PPC was transformed, into a société anonyme.

Pursuant to the decision of October 19, 2021 of the Extraordinary General Meeting of the shareholders of the Parent Company and of the decision of October 29, 2021 of its Board of Directors, PPC SA proceeded to Share Capital increase through a public offering in Greece, to private investors and outside Greece, to institutional and other eligible investors, through a process of private placement book building.

On November 11, 2021, the share capital increase was completed by cash payment and a chartered accountant certified the share capital increase by € 372.0 million and the share premium increase by € 978.0 million in cash, with total amount of € 1.350 billion, with the issuance of 150,000,000 new common shares with a nominal value of € 2.48 each and with share premium of € 6.52 each.

Therefore, on June 30, 2023 and December 31, 2022 the Share Capital of PPC SA. amounted to € 947,360 consisting of 382,000,000 common shares with a nominal value of € 2.48 each, while the Share Premium amounted to € 1,018.7 million minus expenses for the share capital increase of € 65.9 million.

As of June 30, 2023, and December 31, 2022, the total participation of Hellenic Corporation of Assets and Participations (HCAP) in the voting rights of PPC S.A. amounted to 34.12% (corresponding to 130,349,860 common shares) and is the largest shareholder of PPC.

The total funds raised through the Share Capital Increase amounted to €1.35 bil. and, after deduction of the expenses of € 65.9 million, will be used, in accordance with section 16.2 "Reasons for the Share Capital Increase and use of proceeds" of the Company's Prospectus dated 01.11.2021 (the “Prospectus”), by PPC and/or other Group companies or existing or future joint ventures between 2022 and 2024 as follows:

a) up to €1.284 bil. of the approximately €3.2 bil. the Company has budgeted for capital expenditures on renewable energy projects through 2024, including hydroelectric power generation and projects in adjacent markets, aiming to reach an installed RES capacity of 7.2 GW by 2024; and/or
(b) up to €1.284 bil. of the approximately €1.7 bil. the Company has budgeted for capital expenditures through 2024 on conventional power generation, supply business unit, the construction of a waste-to-energy plant, digitalization, telecommunications, electric vehicle charge-points; and
(c) to the extent reasonably necessary and only up to amounts that are not material for the Group’s financial condition, for other general corporate and other investment purposes.

Acquisition of treasury shares for free stock awards program to executives

In the context of the free equity settled stock awards to the executives of PPC S.A. and PPC RENEWABLES S.M.S.A., the Group and the Parent Company proceed with the purchase of own shares based on the provisions of article 49 of Law 4548/2018. Specifically, the Parent Company within the year ended as of December 31, 2022 acquired through the Athens Stock Exchange 1,856,000 own treasury shares with an average purchase price of € 6.6896 per share, with a total value of € 12.163 million, corresponding to 0.4859% of the total shares of the Company, completing the program of stock awards.

Establishment of treasury shares buyback program

The extraordinary General Meeting of shareholders that took place on August 3, 2022 approved the establishment of a treasury shares program and authorized the Board of Directors of the Parent Company in order to take all the necessary actions for the implementation of the said program. The main features of the program are as follows:
-Maximum number of shares: existing common registered shares issued by PPC, which correspond to a maximum of up to 10% of its paid-up share capital, after excluding the 1,856,000 treasury shares that have been already acquired, thus up to 36,344,000 shares.

-Duration of the Buyback Program: up to 24 months from the day immediately after the day of its approval by the general meeting of shareholders. The exact starting date of the Buyback Program was set by the 20.09.2022 Board of Directors Decision.

(All amounts in thousands of Euro, unless otherwise stated)

11. SHARE CAPITAL AND SHARE PREMIUM (CONTINUED)

-Range of purchase price of treasury Shares: a minimum price of €2.48, which is equal to the nominal value of the share and a maximum price of € 17, per own Share.

-Funding of the Buyback Program: exclusively through free cash flows and other available cash resources of PPC, expressly excluding funds that a) have been raised through its share capital increase that was completed on November 2021, and/or b) are required to be allocated to specific purposes, in accordance with the relevant commitments undertaken by the company.

In this context, the Parent Company within 2022 acquired through the Athens Stock Exchange 4.687.353 own treasury shares (in addition to 1,856,000 own treasury shares) with an average purchase price of € 6.1432 per share, with a total value of € 28.5 million, corresponding to 1.2271% of the total shares of the Company.

Within the first half of 2023, the Parent Company acquired through the Athens Stock Exchange 4,457,446 own treasury shares with an average purchase price of € 8.2176 per share, with a total value of € 36.6 million.

As of June 30, 2023, the Parent Company held 11,000,799 own treasury shares (31.12.2022: 6,543,353) of total value € 77.3 million (31.12.2022: 40.6 million) that correspond to 2.88% of the total shares of the Company.

12. LOANS AND BORROWINGS

An analysis of the long-term and short-term borrowing of the Group and the Parent Company is presented in the table below:

	Group		Company	
	30.06.2023	**31.12.2022**	**30.06.2023**	**31.12.2022**
- Banks Loans	1,638,102	1,485,676	167,326	171,419
- Bonds Payable	2,944,865	3,004,791	2,564,462	2,756,769
Unamortized portion of loans issuance fees and loan amendments	(70,870)	(75,666)	(66,217)	(74,017)
Total Long-Term Borrowing	**4,512,097**	**4,414,801**	**2,665,571**	**2,854,171**
Less short- term portion:				
- Bank Loans	328,213	250,493	25,985	25,985
- Bonds Payable	374,335	361,414	351,464	351,354
Unamortized portion of loans issuance fees and loan amendments	(20,056)	(20,013)	(19,523)	(19,677)
Total Short-Term portion	**682,492**	**591,894**	**357,926**	**357,662**
Total Long-Term portion	**3,829,605**	**3,822,907**	**2,307,645**	**2,496,509**
Short Term Loans	**131,002**	**108,333**	**75,000**	**50,000**
Total Loan borrowings	**4,643,099**	**4,523,134**	**2,740,571**	**2,904,171**

12. LOANS AND BORROWINGS (CONTINUED)

During the period 1.1.2023-30.06.2023, the Group and the Parent Company proceeded to debt repayments of loan installments amounting to € 801.1 million and € 699.6 million respectively. Also, a loan of the subsidiary AIOLIKI MPELECHERI ANONYMI VIOMICHANIKI KAI ENERGEIAKI ETAIREIA was repaid, with the counterparty being the previous shareholder (Note 3) for an amount of €17.6 million.

Within the period 1.1.2023 – 30.6.2023, the Parent Company disbursed an amount of €495 thousand from a Bond Loan with a total line amounting to € 680.0 million to finance part of the construction cost of the new Lignite unit "Ptolemaida V" with a joint venture of foreign banks supported by the German Export Credit Insurance Organization "Euler Hermes".

The Parent Company taking advantage of the high available funds and given the difference between interest rates on deposits and borrowing, in the context of active management of its financial costs, on 16 and 19 January 2023 respectively repurchased the same bonds of € 500 million, i.e. a) € 300 million of the Joint Bond Loan from 15.12.2021 (L.4548/2018), amounting to €300 million with the National and Piraeus Banks, b) €200 million of the 12.8.2021 Joint Bond Loan (L.4548/2018), amounting to €300 million with Alpha Bank and Eurobank, for which it redistributed to the Bondholders on 14 March 2023.

Certain Loans include, among other things, the clause to reduce CO_2 emissions by 40% until December 2022 with a base year of 2019, in the context of aligning PPC's financing policy with its overall strategy for the environment and for mitigating the effects of climate change. Based on actual data of CO_2 emissions for the year 2022, this clause has not been achieved, as a result of measures for the energy sufficiency of the country. Failure to meet the target results in an interest rate increase by 0.50% after the first quarter of 2023.

Below exists a brief description on the **new loan agreements/ bonds** signed during the first six-month period of 2023 by the Group and the Parent Company:

New loan liabilities from the acquisition of subsidiaries of the RES portfolio

Following the acquisition of subsidiary companies of RES portfolio (Note 3), the Group's long-term borrowings increased as follows:

The new subsidiary AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA had entered into from 02.11.2018 the Joint Bond Loan Agreement with Piraeus Bank amounting up to €26 million for the financing of the construction of two Wind Farms of 42.9 MW and 10.8 MW in Viotia, the balance of which on 31.01.2023 (date of acquisition) was €19 million with expiry date in 2032.

The capital of the said loan was fully repaid on 30.06.2023 and refinanced with the Joint Bond Loan from 28.06.2023 for an amount of up to €62.3 million issued by AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA and covered by Piraeus Bank, with an expiry date of 30.06.2035. The first disbursement of the loan of €37.33 million took place on 30.06.2023.

New Bond Loan issued by SOLAR ARROW ONE S.M.S.A.

The subsidiary company SOLAR ARROW ONE S.M.S.A. is developing a 200MW photovoltaic plant at the "Lignite Center of Western Macedonia" location in the Prefecture of Kozani. To finance the project, the Joint Bond Loan of € 102.4 million was signed from 21.12.2022 between SOLAR ARROW ONE S.M.S.A. as the issuer of the banks Eurobank S.A., National Bank of Greece S.A. and European Investment Bank, as Bondholders. To date, the entire amount has been drawn, while on 08.06.2023 a repayment of €3.7 million took place and as a result the balance of the loan at €98.6 million on 30.06.2023. The loan expires on 31.12.2041.

(All amounts in thousands of Euro, unless otherwise stated)

12. LOANS AND BORROWINGS (CONTINUED)

Bond Loan issued by SOLARLAB S.M.S.A

The subsidiary company SOLARLAB S.M.S.A. develops 5 photovoltaic parks with a total capacity of 159 MW at the locations "AGIOS CHRISTOFOROS 1" (65 MW), "PTELEONAS 1" (15 MW), "PTELEONAS 2" (18 MW), "CHARAVGI 1" (36 MW) and "CHARAVGI 5" (25 MW) of the Municipality of Eordaia and Kozani. For their financing, a Joint Bond Loan of up to €85.8 million was signed on 12.04.2023, issued by SOLARLAB S.M.S.A. and covered by ALPHA BANK S.A., using funds from the Recovery and Resilience Fund, which participates in the financing with a percentage of 46%. The loan has not been disbursed to date.

Loans with the European Investment Bank

In the context of the financing line of HEDNO S.A. with EIB for a total amount of € 330 million for the modernization of the Distribution Network in Greece, on 10.04.2023 the decision for the provision of a guarantee from the Greek State was announced, for an amount of € 230 million arising from the second and third line of financing of € 100 million and € 130 million respectively. At the same time, already since 05.04.2023 HENDO S.A. had proceeded with a withdrawal request for both of these loan agreements, which were completed on 20.04.2023.

The basic financial terms arising from the two loan agreements are identical with a repayment period of 20 years, which is completed in 30 equal six-monthly installments with a 5-year grace period – payment of the first installment on 20.10.2028 and expiry on 20.04.2043.

The following is a further analysis of the long-term borrowing (without overdraft accounts and short-term borrowings) of the Group and the Parent Company:

	GROUP		COMPANY	
	30.06.2023	**31.12.2022**	**30.06.2023**	**31.12.2022**
Bank loans and bonds				
- Fixed rate	1,435,000	1,435,000	1,275,000	1,275,000
- Floating rate	1,119,446	1,275,319	937,500	1,091,250
European Investment Bank				
- Fixed rate	1,468,807	1,319,106	158,030	164,849
Project Financing				
- Floating rate	550,428	456,119	351,962	390,519
Total	**4,573,681**	**4,485,544**	**2,722,492**	**2,921,618**

Credit rating

As of 30.06.2023, the credit rating by S&P and by Fitch is set at "BB-" with a stable outlook and by ICAP at "BB".

Compliance with financial ratios

Financial clauses have been included in certain loan agreements of the Group and the Parent Company, failure to comply with which may lead to the termination of the agreement or, as the case may be, to a change in the margin.

On June 30, 2023, the Group and the Parent Company is in compliance with the financial ratios included in their loan agreements.

The Group on 31.12.2022 was not in compliance with the financial ratio "Guarantees and Loans in favor of third parties to Total Assets ≤ 20%" of the loan agreement with the European Investment Bank. The deviation occurred temporarily on 31.12.2022 due to the implementation of the investment plan of the subsidiary. The European Investment Bank has subsequently provided its consent and the agreement was amended with retroactive effect, in order on 31.12.2022 to cure this excess. For this reason, as of 31.12.2022 the long-term portion of this loan agreement amounting to €82,280 was classified to Short-term Liabilities.

(All amounts in thousands of Euro, unless otherwise stated)

12. LOANS AND BORROWINGS (CONTINUED)

Short-Term Borrowing

An analysis of the short-term borrowings of the Group and the Parent Company is presented in the table below:

	Group		Company	
	30.06.2023	**31.12.2022**	**30.06.2023**	**31.12.2022**
Overdraft facilities				
Credit lines available	357,750	254,250	183,750	170,250
Unused portion	226,748	150,419	108,750	120,250
Used portion	**131,002**	**103,831**	**75,000**	**50,000**
Short-Term Borrowings				
Credit lines available	21,000	21,000	-	-
Unused portion	21,000	16,498	-	-
Used portion	**-**	**4,502**	**-**	**-**
Short-Term Borrowings	**131,002**	**108,333**	**75,000**	**50,000**

On 30.6.2023 the Parent Company made use of the credit limit through an overdraft account it maintains at Alpha Bank and drew the amount of € 75 million in order to cover working capital needs.

On 29.06.2023 the subsidiary HEDNO S.A. used the credit limit through an overdraft account it maintains at the National Bank of Greece and drew the amount of € 20 million in order to cover working capital needs. The capital together with accrued interest was repaid on 05.07.2023.

Credit Agreement with Open (Overdraft) Account of SOLARLAB S.M.S.A

The subsidiary company SOLARLAB S.M.S.A is developing 5 photovoltaic parks with a total capacity of 159 MW at the locations "AGIOS CHRISTOFOROS 1" (65 MW), "PTELEONAS 1" (15 MW), "PTELEONAS 2" (1 8 MW), "CHARAVGI 1" (36 MW) and "CHARAVGI 5" (25 MW) of the Municipality of Eordaia and Kozani. For their financing, the Credit Agreement with an Open (Overdraft) Account of € 50 million was signed from 03.04.2023 between SOLARLAB S.M.S.A and ALPHA BANK S.A., from which € 18.7 million have been drawn on 30 June 2023.

Credit Agreement with Open (Overdraft) Account of PPC RENEWABLES S.M.S.A.

On 09.02.2023, the credit limit maintained by PPC RENEWABLES S.M.S.A. to the National Bank of Greece S.A. was increased, which currently amounts to €150 million for the issuance of Letters of Guarantee or and financing for Working Capital purposes for an amount of €50 million.

(All amounts in thousands of Euro, unless otherwise stated)

13. FAIR VALUE AND FAIR VALUE HIERARCHY

Fair value and fair value hierarchy
The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuing technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

During the reporting period there were no transfers between level 1 and level 2 fair value measurement, and no transfers into and out of level 3 fair value measurement.

The following tables compare the carrying amount of the Group's and the Parent Company's financial assets that are carried at amortized cost and their fair value:

	Carrying value		Fair value	
Group	**30.06.2023**	**31.12.2022**	**30.06.2023**	**31.12.2022**
Financial Assets				
Trade receivables	1,276,455	1,365,605	1,276,455	1,365,605
Restricted cash	112,543	67,847	112,543	67,847
Cash and cash equivalents	2,431,733	3,159,484	2,431,733	3,159,484
Financial Liabilities				
Long-term borrowings	4,512,097	4,414,801	4,512,097	4,414,801
Long- term financial liabilities from the securitization of trade receivables	333,904	350,089	333,904	350,089
Financial liability from NCI Put option	1,425,509	1,420,017	1,425,509	1,420,017
Trade payables	995,103	1,146,725	995,103	1,146,725
Short- term financial liabilities from the securitization of trade receivables	13,878	8,540	13,878	8,540
Short-term borrowing	131,002	108,333	131,002	108,333

	Carrying value		Fair value	
Parent Company	**30.06.2023**	**31.12.2022**	**30.06.2023**	**31.12.2022**
Financial Assets				
Trade receivables	1,134,007	1,200,734	1,134,007	1,200,734
Restricted cash	26,558	40,012	26,558	40,012
Cash and cash equivalents	2,110,958	2,760,552	2,110,958	2,760,552
Financial Liabilities				
Long-term borrowings	2,665,571	2,854,171	2,665,571	2,854,171
Long- term financial liabilities from the securitization of trade receivables	333,904	350,089	333,904	350,089
Trade payables	627,954	735,889	627,954	735,889
Short- term financial liabilities from the securitization of trade receivables	13,878	8,540	13,878	8,540
Short-term borrowing	75,000	50,000	75,000	50,000

The fair value of trade receivables and trade payables approximates their carrying amounts.

(All amounts in thousands of Euro, unless otherwise stated)

13. FAIR VALUE AND FAIR VALUE HIERARCHY (CONTINUED)

The fair value of other financial assets and financial liabilities is determined by discounting future cash flows using either directly or indirectly observable inputs and is included in Level 2 of the fair value hierarchy.

As of June 30, 2023, the Group and the Parent Company held the following financial instruments measured at fair value:

	Carrying amount		Fair value Hierarchy
Financial Assets	30.06.2023	31.12.2022	
Group			
Financial Assets at fair value through Other Comprehensive Income	345	330	Level 1
Derivative Financial Instruments – Non-current Assets	15,864	15,482	Level 1
Financial Liabilities			
Derivative Financial Instruments – Non-Current Liabilities	871	-	Level 1
Derivative Financial Instruments – Current Liabilities	10,104	11,732	Level 1
Parent Company			
Financial Assets at fair value through Other Comprehensive Income	344	329	Level 1
Financial Liabilities			
Derivative Financial Instruments – Non-Current Liabilities	367	-	Level 1
Derivative Financial Instruments – Current Liabilities	10,104	11,732	Level 1

During the reporting period there were no transfers between level 1 and level 2 fair value measurement, and no transfers into and out of level 3 fair value measurement of financial receivables and liabilities for the period ended June 30, 2023.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION

OWNERSHIP AND INSURANCE OF PROPERTY

1. The National Cadastral process is in progress. The Parent Company has already completed its Real Estate's recording. Those properties are recorded in total in the Land Registries throughout Greece in the Cadastral Offices and at the same time the cadastral process is monitored, and all pending issues from this process are settled (it has been completed for about 50% of the Country). In this context, over 100 cadastral lawsuits are pending, out of which 20 are in Athens, for which the relevant judgements have not yet been issued. From 20.03.2023, the Athens Land Registry Office operates for Athens. The posting of temporary cadastral tables in Athens is expected (72 areas under Cadastral), where the Parent Company owns a significant number of properties.
   Pursuant to article 129 of law 4819/23.07.2021 and of no. 42352/ 29.11.2021 notarial deed of separation of the Distribution Network Sector, a significant percentage of the above pending lawsuits are legal rights pertaining to the Distribution Network and therefore subsidiary HEDNO is now actively/ passively legalized, as pending lawsuits and rights referred to on the properties and fixed assets of the Distribution Network and the Network of the non- Interconnected Islands are continued by HEDNO SA, without being interrupted and do not need for their continuation or repetition, new formulation or declaration by it, according to with par. 3 of article 70 of law 4601/2019 (law 4001/2011 art. 123A par. 4 g).
   Also, pursuant to articles 106-108 of Law 4821/ 31.07.2021 on the transfer from PPC SA to IPTO SA of the fixed assets of the High Voltage electrical system of the island of Crete that are interconnected with the HETS, in the context of the Peloponnese -Crete electrical interconnection, a significant percentage of the above lawsuits pending in Courts of First Instance of Crete concern the High Voltage System's rights and therefore IPTO is now actively/ passively legalized, as pending lawsuits on the transferred assets, continue automatically by IPTO SA, without being interrupted and no need to any formulation or declaration on its part is required, for their continuation or repetition (Law 4001/2011 art. 108D par. 8).

2. In several cases, expropriated land, as presented in the expropriation statements, differs from the cadastral survey, a reason why PPC is in the process of cadastral settlement (filing of monitored acts) in collaboration with the Cadastral Offices. In particular, for the properties in question, PPC has the right till December 2023 to proceed with lawsuits for the said land which are mainly located in expropriated lignite-bearing areas and in the official records appear to have an unknown owner or third-party owner.
   At the pre-trial/ preliminary stage, 185 objections are pending, a process which had been suspended due to the pandemic and is starting to operate again, commencing from Northern Greece and Peloponnese (Megalopoli).

3. Agricultural land acquired by the Parent Company through expropriation in order to be used for the construction and operation of hydroelectric power plants, must be transferred to the State at no charge, following a decision of the Parent Company's Board of Directors and a related approval by the Ministry of Development, if such land is no longer needed by the Parent Company for the fulfilment of its purposes according to article 9, of Law 2941/01.

4. According to article 168 par.1 of Law 4759/20, the article 15 of Law 4273/14 was abolished, according to which the land expropriation of PPC was declared in favour of the Greek State and under PPC's expenses and so, those expropriations will be declared in favour and under the expenses of PPC. According to article 29, par. 1 of Law 4872/2021 (OG/A/247/ 10-12-21) PPC after the full payment of the relevant compensations becomes the owner of the expropriation land with the following decisions declared by the Deputy Minister of Environment, Energy and Climate Change:

   a) Δ9 / Δ / Φ 53/9455/2442 / 2.9.2014 (ΑΑΠ 294), Expropriation ΟΔΠΚ-1
   b) Δ9 / Δ / Φ 53/22337 / ΠΕ / 4095 / 2.9.2014 (ΑΑΠ 294), Expropriation ΟΝΠ-6
   c) Δ9 / Δ / Φ53 / 8773/2272 / 2.9.2012 (ΑΑΠ 294), Expropriation ΟΝΠ-7 and
   d) Δ9 / Δ / Φ53 / 4855/1139 / 28.7.2014 (ΑΑΠ 249), Expropriation ΧΩΡ-6

5. All applications for the removal of expropriations concerning abolished HV Transmission Lines have been served and there are no pending actions required by PPC S.A.

6. The Group does not carry any form of insurance coverage on its fixed assets in operation (except for its information technology infrastructures), and as a result if a sizable damage occurs to its properties, it might affect its profitability. Material spare parts as well as liabilities risks against third parties are not insured.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

LITIGATION AND CLAIMS

The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at June 30, 2023, amounts to €1,027.0 million (31.12.2022: €999.0 million) as further detailed below:

1. **Claims with contractors, suppliers and other claims:**

A number of contractors and suppliers have raised claims against the Group. These claims are either pending before courts or under arbitration and mediation proceedings. Total claims amount to €444.0 million (31.12.2022: €439.0 million). In most cases the Group has raised counter claims, which are not reflected in the accounting records, until the time of collection.

2. **Fire incidents and floods:**

A number of individuals have raised claims against the Group for damages incurred as a result of alleged electricity-generated fires and floods. Total claims amount to €114.0 million (31.12.2022: €92.0 million).

3. **Claims by employees:**

A number of the Groups' Employees are claiming the amount of €78.0 million (31.12.2022: €77.0 million), for allowances and other benefits that according to the employees should have been paid by PPC.

4. **Lawsuits and extrajudicial documents of IPTO against PPC S.A.**

On 29.11.2018, IPTO served an extrajudicial document to PPC with which asks from PPC:
-to pay-off debts of € 495.3 million from PPC's participation in the wholesale electricity market for the period January 2018 to August 2018, which have become overdue, plus overdue interest.
-to pay overdue interest amounting to € 83.4 million arising from the overdue payment of PPC's debts from its participation in the wholesale electricity market for the period August 2016 to September 2018.
Of the above amounts, only the amount of € 55.0 million pertains to IPTO, while for the rest, DAPEEP (former EMO) has become the universal successor.

On 28.02.2019, two IPTO's lawsuits n. ΓΑΚ/ΕΑΚ 10679/355/2015 και 10682/356/2015 (February 2015) against PPC for a total amount of € 540.0 million, for amounts due from the Parent Company's participation in the wholesale electricity market, were discussed before the Multimember Court of First Instance in Athens. By its first lawsuit IPTO was asking for an amount of € 242.7 million (with interest) for amounts due which PPC collects from electricity bills and conveys to IPTO, that in turn conveys them to EMO. By its second lawsuit, IPTO was asking for the payment of € 232.6 million (with interest) for amounts due which PPC collects from electricity bills and conveys to IPTO.
The Decision 944/2020 of the Multimember Court of First Instance in Athens was issued and was sent to PPC on 08.07.2020, which is not provisionally enforceable and obliges PPC to pay:
- regarding the first lawsuit, to IPTO: a) the legal interest on the amount of € 188.3 million for the period from 03.02.2015 until the payment of each of the legal invoices paid after that date, and b) the amount of € 18.9 million with the legal interest from the service of the lawsuit until the full repayment,
- regarding the second lawsuit, to IPTO: a) the legal interest on the amount of € 227.6 million for the period from 03.02.2015 until the payment of each of the legal invoices, paid after that date, and b) the amount of € 40.3 million with the legal interest from the service of the lawsuit until the full payment.
-to HEDNO: a) the legal interest on the amount of €5.0 million for the period from 03.02.2015 until the payment of each of the legal invoices, paid after that date and b) the amount of €244.6 thousands with the legal interest from the service of the lawsuit until the full payment.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Interest corresponding to these overdue receivables amounts to € 62.0 million. PPC has filed an appeal against the above decision, which was heard on 23.02.2023 before the Three-Member Court of Appeal of Athens and the issuance of a decision is expected.

On its side, PPC has served an extrajudicial document to IPTO (without the latter having answered), requesting the payment of a total amount of € 14.0 million for overdue interest on invoices which incorporate debts to PPC from March 2012 until 02.02.2015.

On 5.10.2017, a new (third) lawsuit (n.ΓΑΚ/ΕΑΚ 508791/2833/2016 and after the redefinition ΓΑΚ/ΕΑΚ 72442/794/2020) of IPTO against PPC was discussed and furthermore re-discussed on 07.01.2021, due to a long delay in the issuance of a decision by the first composition of the Athens Multi-Member Court of First Instance, by which IPTO asks PPC to pay an amount of € 406.4 million (with interest) for overdue receivables arising also from PPC's participation in the wholesale electricity market and specifically relating to non-competitive charges of IPTOs' invoices for the year 2015 - 2016.
Decision no. 1494/2021 of the Athens Multi-Member Court of First Instance was issued on this lawsuit, which rejected the claim for interest. The interest corresponding to these overdue receivables, amounted to € 59.0 million. IPTO, together with HEDNO and DAPEEP (who entered by law in part of the original claim) appealed against the above decision, which was discussed before the Tri-member Court of Appeal of Athens on 13.10.2022 and on 29.06.2023 the non-final decision no. 3173/2023 was issued, by which the appeal of the opposing parties was accepted. By this decision, PPC is required to pay the above due late interest, and orders, for the issuance a final decision, the carrying out of an accounting expert opinion. To this end, the completion of the expert opinion, the repetition of the discussion of the case by the most diligent of the parties, and the issuance of a final decision are pending.

On 31.12.2021 the lawsuit No. ΓΕΚ/ΕΑΚ/106878/4124/2021 (new fourth lawsuit) was served on PPC by IPTO, as it was filed in the Multi-Member Court of First Instance of Athens on 30.12.2021, for which a trial date has not yet been set and by which IPTO requests PPC to pay:
a) an amount of € 78.2 million for interest on arrears, with legal interest from the service of the lawsuit until the full payment
b) an amount of € 6.5 million for outstanding capital, with legal interest from the respective declared day, otherwise from the notification, otherwise from the service of the lawsuit until the full repayment.
The above amounts relate to invoices issued by IPTO, that PPC allegedly did not pay or paid late and relate to the years 2016 to 2020. The proposals were submitted on 11.04.2022 and with an addition on 19.04.2022. The discussion of the case is to be determined.

All the above sums by capital of the lawsuits have been paid to date except for the interest for which the Parent Company has established a provision from previous years.

5. **Alleged claims of DAPEEP (former EMO) against PPC S.A. due to deficits of the Day Ahead Schedule (DAS)**

Due to the deficits created by electricity suppliers ENERGA POWER TRADING S.A. and HELLAS POWER S.A. during the years 2011 and 2012, PPC was obligated under RAE's Decision No. 285/2013 (whose legality was confirmed by the State Council's decision No.1761/2016), as well as by the Power Exchange Code for Electricity, to pay to
EMO a total amount of € 126.3 million (after a final clearing according to Article 61 of the Power Exchange Code for Electricity) within 2017.

A. Although EMO explicitly accepted the proposed debt settlement, in December 2016 filed a lawsuit against PPC asking the (then) residual amount of € 78.0 million (with interest), which the Parent Company paid in 2017. In February 2017, PPC filed a counter lawsuit asking EMO to be ordered to pay the amount of € 126.0 million (plus an amount of € 100 thousands for PPC's moral damages). On these lawsuits, the Multimember Court of First Instance in Athens issued the decision 4810/2018 which accepted EMO's lawsuit and rejected PPC's counterclaim. PPC has filed a relevant appeal which was discussed after postponement on 19.05.2022 (from initial hearing on 16.09.2021), before the 13th section of the Three-Member Court of Appeal in Athens.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

B. In December 2017, EMO sent to PPC two new Information Notes on the Allocation of Monthly Deficits of the Day Ahead Schedule (DAS), totalling to € 833 thousands with which, EMO claimed that its new claims arose from the second settlement of the Deficit for the years 2011 and 2012, due to the disappearance or insolvency of the previous third-party electricity suppliers of that time. In this context, in March 2018, PPC filed before the Multimember Court of First Instance in Athens its lawsuit against EMO, requesting a declaration that it does not owe the above-mentioned amount and EMO to be condemned to pay an amount of € 50.0 thousands as compensation for PPC's moral damages. In May 2018, EMO filed its counterclaim. The two opposite lawsuits were judged, and the Multimember Court of First Instance in Athens issued recently the decision No. 932/2020, which justifies EMO (now DAPEEP), a reason for which a relevant appeal has already been filed, which was to be heard on 17.02.2022. It has been agreed to postpone them for co-adjudication with the above initial case on 19.5.2022. The cases were discussed on 19.05.2022 and the decisions MCFI 6663&6664/22 were issued, which PPC challenged before the Supreme Court.

6. **Claims of third parties against real estate properties**

As of June 30, 2023, there are claims from third parties against the Parent Company's properties with a net book value of €13.2 million (31.12.2022: €13.2 million) for which the Parent Company has established an adequate provision.

7. **HEDNO lawsuits against PPC**

HEDNO has so far filed 5 lawsuits against PPC seeking regulated charges and interest on them, as follows:

Lawsuit ΓΕΚ/ΕΑΚ 121583/4693/2018

On 31.12.2018, the lawsuit No. 121583/4693/2018 (1st lawsuit) was served to PPC, requesting it to pay the total amount of € 1.9 million with the legal interest of the lawsuit from service of the lawsuit until full payment. This amount refers to interest on arrears due to alleged late payment by PPC of invoices for the year 2013 issued by HEDNO. The case was heard on 1.10.2020, however due to non-issuance of a decision within 8 months and after the submission of a relevant letter of protest by PPC to the Court of First Instance, the case was assigned to another judge by a decision of 19.04.2022 and received new No. 54481/799/2022. The case was re-heard on 10.11.2022 and the issuance of a decision is expected.

Lawsuit ΓΕΚ/ΕΑΚ 115464/3775/2019

On 30.12.2019 the lawsuit No.115464/3775/2019 was served (2nd lawsuit), with which PPC is requested to pay to HEDNO the total amount of € 1.4 million with the legal interest from the service until full payment. This amount refers to interest on arrears due to alleged late payment by PPC of invoices for the year 2014 issued by HEDNO. The case was heard on 18.11.2021 and on 18.02.2022 the decision no. 417/2022 was issued which partially accepted the lawsuit of HEDNO and ordered PPC to pay to HEDNO the amount of €1.2 million for interest on delayed payments. The decision was served to PPC on 05.05.2022. PPC filed an appeal on 02.06.2022 that will be heard on 16.11.2023 at the Three-Member Court of Appeal in Athens.

Lawsuits ΓΕΚ/ΕΑΚ 93423/2020 and 2989/2020

The case is new and it concerns the payment of interest on arrears due to delays in the payments of regulated charges by PPC.
With this 3rd lawsuit, PPC is requested to pay interest on arrears amounting to €5.0 million (with legal interest from its delivery on 31.12.2020 - until payment) relating to late payment of invoices of the disputed year 2015. This lawsuit was discussed on 26.05.2022 in the Multimember Court of First Instance in Athens and no decision has yet been issued.
The above amount of interest relates to invoices for the following charges:
a) Distribution use charges, b) recovery of cost of purchase of electricity from RES in the NII, c) sale of electricity from PV rooftops in the NII, d) ETMEAR in the NII, e) intra-group contracts SLAs, ie, repetitive projects, branded projects, supply transport services, services to PPC customers, vehicle maintenance, PPC staff benefits.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Lawsuit 105062/4055/2021

On 29.12.2021, lawsuit No.105062/4055/2021 (4th lawsuit) was served to PPC by HEDNO, which HEDNO filed before the Athens Multi-Member Court of First Instance on 24.12.2021, requesting PPC to pay the total amount of € 22.5 million with the legal interest from the service of the lawsuit until the full payment. No official trial date has been set. This amount refers to interest on arrears due to alleged late payment by PPC of the invoices issued for the year 2016. Proposals were submitted on 04.04.2022 and an addition on 18.04.2022. The discussion of the case is expected to be determined.

Lawsuit 128343/3501/2022

On 27.12.2022, the lawsuit No. 128343/3501/2022 (5th lawsuit) was served on PPC, filed by HEDNO before the Athens Multi-Member Court of First Instance, with which it requests PPC to pay the total amount of € 16.9 million with the legal interest from the service of the lawsuit until full payment. This amount refers to interest on arrears due to alleged late payment by PPC of the invoices issued for the year 2017. The proposals were submitted on 19.4.2023 and the addition on 4.5.2023. The discussion of the case is to be determined.

Against all the above cases 1 to 7, the Group and the Parent Company have established a provision as of June 30, 2023 that amounts to €408.0 million and €414.0 million respectively (31.12.2022: € 404.3 million for the Group and €400.2 million for the Parent Company) which is considered adequate against expected losses that may arise after final settlement of the above cases.

PPC's lawsuit against ETAA/ Department of Engineers and Public Works Contractors (former TSMEDE)

ETAA/ Department of Engineers and Public Works Contractors (former TSMEDE) by its Decision 7/2012 has imposed on PPC the amount of € 27.4 million applying article 4 of L. 3518/2006, relating to employer contributions due to the main pension branch for the period 01.01.2007 – 30.04.2012 and pertaining to the engineers insured before 01.01.1993 to the above-mentioned Insurance Fund, that have been employed by PPC for the above-mentioned period.

Against the above mentioned 7/2012 decision of the Insurance Fund in question, PPC has filed legally and timely the 05.09.2012 appeal to the Athens Administrative Court of First Instance. The discussion of the appeal took place on 03.11.2014. The preliminary ruling 11872/2016 was issued, which obliges TSMEDE to produce to the Court the documents referred to the judgment and then the case will be discussed again in order to issue a final decision. The case was finally discussed on December 14, 2021 and the decision n. 4476/23 was issued in favour of PPC.

On 21.12.2022 we were served two debt certificates (namely no. 64785/2022 and 64784/2022) from e-EFKA (successor of the above TSMEDE), which they concern additional due contributions in favor of TSMEDE for the period 01/05/2012 to 31/12/2016. We have already appealed these statements to the Court of First Instance, that will be heard on 24.11.23.

Similarly, objections were filed against relevant enforcement procedures against PPC, HEDNO and their management (individuals) over time. Our requests for temporary orders (which accompanied our requests for suspension of execution) have already been accepted by the Court of First Instance.
Finally, our request for a relevant "pilot" trial has been submitted to the Council of State (CoS) and the General Commission of Regular Administrative Courts, and their relevant decision is expected.

Since the employees – who are engineers- are insured mandatorily to PPC's Insurance Fund based on L. 4491/1966 and as a result PPC is paying on their behalf to the above mentioned Insurance Fund the corresponding employer contributions, while the parallel insurance for the above mentioned engineers in ETAA is optional and is done by their choice, with them paying the corresponding insurance contributions provided for engineers that are independently employed, the Parent Company considers that the possibilities of a negative outcome of its appeal are minimal and therefore it has not established any provision.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Lawsuit of former EMO against HEDNO in which a notice was served to PPC

On 19.06.2017, HEDNO S.A. served a notice to PPC on EMO's lawsuit against HEDNO S.A. With this notice HEDNO S.A. requested PPC S.A. to intervene in favour of HEDNO S.A. in the court in which EMO claims from HEDNO S.A. overdue amounts from invoices issued. In particular, EMO S.A. with its lawsuit claims amounts with interest from partially paid and unpaid invoices which incorporate receivables from the RES Special Account in the Non-Interconnected Islands (mainly debts from ETMEAR, PVs on rooftops, RES Generation in the Non-Interconnected Islands and balancing of the Special Account in the Non-Interconnected Islands). The claim from EMO's part amounted to approximately € 140.0 million, while interest due for late payment amounted to € 3.9 million.

The Multimember Court of First Instance in Athens, with its decision No.1302/2019, rejected in favor of PPC HEDNO's notice to PPC as unlawful considering that there is no relationship of procedural guarantee between HEDNO and PPC, and that, on the contrary, the only relationship that binds them is a contractual one. In particular, the Court considered that according to the NII Code there is no obligation of PPC to pay-off HEDNO's lenders other than PPC's contractual obligations towards HEDNO regarding the timely payment of invoices under the NII Load Representatives contract.

HEDNO filed an appeal before the Three-Member Court of Appeal in Athens that was discussed on 22.09.2022 and the decision n. 2643/2023 was issued. With its 2463/2023 Decision, the Court of Appeal confirms what the Court of First Instance had previously ruled with its 1302/2019 Decision, namely that no procedural guarantee between the notified party (PPC) and the notifying party (HEDNO), is founded and, on that ground, HEDNO's notice to PPC is unlawful. In particular, according to the legal framework governing the relationship of the parties -notably the Non-Interconnected Islands Code-, beyond the contractual obligations of the notified company regarding the timely payment of invoices, PPC S.A. is not required to pay off any lenders of the notifying party HEDNO S.A. in case of the breach of the contractual obligations.

Thus, this claim must be rejected as unlawful. The Decision has not been officially notified between the litigants.

Corrective settlements of IPTO, concerning the Special Account of art. 143 L. 4001/2011

According to L.4152/2013, RES energy purchases in the Interconnected System are paid through the market operation, on the higher amount of either their revenue from DAS plus Deviations or the value of energy they inject to the system multiplied by the weighted average variable cost of the conventional thermal power plants. This amendment started being applied from August 14, 2013, when RAE's Decision No. 366/2013 was published in the O.G., amending the relevant articles of the Power Exchange Code and specifying the methodology of calculations, with which the provision of the law was implemented.

In October 2013, IPTO sent to PPC S.A. corrective clearing statements for months May, June, July and part of August of 2013, totalling to an amount of € 48.2 million, which was derived from the retrospective application of the relevant methodology. PPC's lawsuit against IPTO for the invoices in question was accepted by the Multimember Court of First Instance in Athens (Decision No. 2260/2016) and is considered that PPC does not have to pay the invoices issued totalling € 54.4 million, which incorporate claims for the weighted average variable cost of the conventional thermal power plants for the months May to August 2013. IPTO (which, in the meantime, was substituted in this claim by DAPEEP) filed an appeal which was finally dismissed by the Court of Appeal in Athens with its decision 4928/2020. Finally, an appeal was filed by DAPEEP, before the Supreme Court, which will be heard on 15.01.2024.

Extrajudicial order from PPC to IPTO for clearing the Balancing Market

On July 7, 2023, PPC sent an extrajudicial letter to IPTO in which it is called as administrator for the final clearance of the Balancing Market for the period from November 2020 to June 2022, following the provisions of the Energy Meters Representation and Periodic Settlement Manual as it is pending.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Lawsuits from EKPIZO and INKA against PPC S.A.

I. On May 4, 2022, the collective lawsuit from 3/5/2022 was served to PPC S.A. (article 10 par. 16 of L.2251/1994) of the non-profit Union with the name UNION OF CONSUMERS THE QUALITY OF LIFE (hereinafter "EKPOIZO"). The lawsuit was scheduled to be heard before the Athens Multi-Member Court of First Instance on June 1, 2022, while it was postponed and was heard on 6/07/2022 in which EKPOIZO requested the following:

1. To oblige PPC to stop using the term "Supply Charge Adjustment Clause" of the Household Tariffs Γ1 and Γ1N, because it was not included in the electricity supply contracts that had been drawn up before 5.9.2021 for the reasons set out in its lawsuit.
2. To oblige PPC to stop formulating and using in its contracts for the supply of electricity that it concludes with consumers, as well as in those contracts that it has already concluded to date, the general terms of transactions, terms that refer to the history of the lawsuit and more specifically the terms : a) 9, 16.3, 17 and 18 of the TERMS OF CONTRACT OF HOUSEHOLD CUSTOMER OR NON-HOUSEHOLD CUSTOMER WITH PROVISION POWER UP TO 25 KVA, b) 6.5.1, 7.2, 7.6 and 9.1 OF THE GENERAL TERMS OF ELECTRICAL ENERGY CUSTOMER OR NON -HOME CUSTOMER WITH PERFORMANCE OF PROVIDER OF 25 KVA, (c) “Supply charges Adjustment clause” in household bills Γ1 and Γ1N d) 3 of the SPECIAL CONDITIONS OF SUPPLY CONTRACT FOR CUSTOMER INCLUDED in the product "myHome Enter" e) 4 of the SPECIAL CONDITIONS OF SUPPLY CONTRACT FOR CUSTOMER INCLUDED in the product "myHome Enter+" and "myHomeOnLine", because these terms are abusive, illegal and invalid, for the reasons set out in the lawsuit.
3. To oblige PPC to inform in written the customers, with whom it has concluded a contract for the supply of electricity, that the above conditions do not apply.
4. To order the publication of the issued decision in the press as well as the publication of a corrective statement by PPC regarding the illegal practices it used.
5. To threaten PPC with a fine of five thousand eight hundred (5,800) euros in favor of EKPOIZO for any violation of the above obligations.
6. To oblige PPC to pay to EKPOIZO the amount of three hundred thousand (300,000) euros with legal interest from the filing of the lawsuit until the payment.
7. To declare the issued decision provisionally enforceable.
8. To order PPC to pay the court costs of EKPOIZO and the fee of its attorney.

II. Moreover, on May 5, 2022, the collective lawsuit from 4/5/2022 was served to PPC SA. (article 10 par. 16 of L.2251/ 1994) with an application for precautionary measures of the Second level Consumer Union under the name of “INKA - GENERAL CONSUMER FEDERATION OF GREECE (GCFG)” and of the First level Consumers' Union with the name CONSUMERS UNION OF AETOLOAKARNANIA PREFECTURE (hereinafter "Unions"). The lawsuit was scheduled to be heard before the Athens Multi-Member Court of First Instance on June 1, 2022, while it was postponed and was heard on 6/07/2022.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

The lawsuit is also against:

A. To the special purpose limited liability company under the name "PPC ZEUS DESIGNATED ACTIVITY COMPANY" as a manager of receivables securitized, for its receivables from electricity supply contracts and

B. To the special purpose company "PPC ENERGY FINANCE DESIGNATED ACTIVITY COMPANY", as manager of receivables securitized under the provisions of Law 3156/2003, for its receivables from electricity supply contracts.

On the above lawsuits, decisions no. 68/2023 and 67/2023 of the Multi-Member Court of First Instance of Athens were issued, which ruled, among other things, in favor of the legality of the Supply Charge Adjustment Clause applied by PPC.

An appeal can be filed within a period of one month from their service, before the Athens Court of Appeal. To date no appeal has been served.

It should be noted that the protection that was ordered by virtue of a temporary order and which expressly provided: "Temporarily the interruption of electricity supply for household tariffs Γ1 and Γ1N of vulnerable customers (Article 52 of Law 4001/2011) in case of non-payment amount corresponding to the application of the adjustment clause until the appointed discussion (6/7) and under the condition of discussion during the appointed hearing is prohibited ", ceased to apply.

It should also be noted that the above temporary order did not affect the company's pricing and the corresponding consumer debts.

Legal Claim by PPC of Public Service Obligations (PSO)

With RAE's decision 1526/2011 "Calculation of the Annual Compensation for the Coverage of the Costs of PSO for the year 2011" (OG B' 2991/28.12.2011), the compensation of the Public Service Obligation ("PSO") for year 2011 was determined at an amount of €681.7 million. This amount had to be recovered in 2012, by virtue of the heterochronism system that was in force at that time. In 2012, however, PPC recovered only the 2012 PSO compensation, due to the change in the recovery system of PSO compensations brought about by art. 36 of Law 4076/2012, which was incorrectly interpreted by RAE with its opinion 10/2017. Thus, the 2011 PSO compensation was not recovered. PPC then filed, from 31.10.2018, a compensation claim against the Greek State for the 2011 PSO.

On 30.10.2019, L.4635/2019 was published, in which Article 16 authorized RAE to determine the due compensation due for the PSO of 2007-2011 that had not been paid to PPC. Pursuant to this provision, RAE issued on 1.11.2019 the decision 1019/2019 (OG B΄4583/2019), by which it determined as due, only the amount of € 194.6 million, which was collected by PPC for the PSO compensation of the period 2007-2011.

With the passing of the provision of article 69 of Law 4876/2021, RAE was authorized to "clear in full" with a decision that it should issue within 3 months from the entry into force of this law, "debts from Public Services Obligations of past years, which relate to the years before the entry into force of article 36 of Law 4067/2012 (A' 79) and have not been fully recovered". RAE has not issued a corresponding decision.

PPC filled an appeal against this decision before the Administrative Court of Appeal of Athens, an appeal that was heard on 13.12.2022, after it was previously heard on 26.9.2022 before the Administrative Court of First Instance of Athens the lawsuit from 31.10.2018 for the compensation for the 2011 PSO against the Greek State. With this appeal, the Parent Company is legally claiming the remaining amount of €487.1 million that it was entitled to collect as PSO compensation for the year 2011. Currently, the issuance of decisions for the above-mentioned proceedings is expected.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Former Bank of Crete

The dispute with the former "Bank of Crete" is dating back to 1989, when the bank was under liquidation. More precisely, by a mandatory action of the then Trustee of the Bank, PPC's deposits were mandatorily converted to stake-holding in the share capital of the Bank and to obligatory credit to the Bank. PPC filed a lawsuit in 1991 against the bank asking to be compensated for GRD 2.2 billion approximately, (€ 6.5 million) because the above-mentioned Act of the Trustee of the Bank was held invalid. Moreover, PPC had outstanding loan balances, received under six (6) loan agreements for which it was agreed upon to be repaid gradually through instalments. However, on June 10th, 1991, although PPC has paid the overdue instalments, the Bank has terminated all the above-mentioned loan agreements and thus on that date the claim against PPC became overdue for the whole amount of the loans.

For that reason, in the context of hearing of PPC's above mentioned lawsuit, the Bank proposed before Court an offset of its claim resulting by the above-mentioned loans, amounting to GRD 4 billion approximately, and furthermore has asked the payment of this amount by PPC by a lawsuit in 1995.

Following two annulment decisions (Supreme Court 746/1998 and Supreme Court 1968/2007) and expert reports, the Athens Court of Appeal issued the decision 3680/2014 which only partially accepts PPC's lawsuit while essentially it upholds the results of the ordered by the same Court official expert report, as follows: a) the amount due by the Bank of Crete to PPC on July 22nd, 1991, the date PPC filed the lawsuit, amounted to GRD 1,268,027,987 and b) the amount due by PPC to the Bank of Crete on July 1st, 1991, due to the termination of the above loan agreements by the Bank and after the proposed by the Bank offsetting of its counterclaim against the above-mentioned PPC's claim, amounted to GRD 2,532,936,698.

Therefore, the above decision of the Court of Appeal recognizes that on July 22nd, 1991, the amount due by PPC to the Bank of Crete was 2,532,936,698 - 1,268,027,987 = GRD 1,264,908,711.

In 2017, PPC appealed against the above-mentioned decision of the Court of Appeal in Athens, the appeal was heard on March 9th, 2020 before the Supreme Court and the decision number 1272/2022 was issued on July 12, 2022 that rejected PPC's appeal.

As such, the decision taken by the Court of Appeal become irrevocable. The assumptions of the above decision of the Court of Appeal become binding for the court that has heard the second lawsuit, i.e. the Bank's lawsuit against PPC, which is obliged to accept that on 22/07/1991, PPC owed to the Bank of Crete the amount of GRD 1,264,908,711 (€3.7 million) due to the closing of the overdraft facilities on 10/06/1991, and the court will condemn PPC to pay this amount to the Bank with overdue interest (with different interest-bearing dates per loan amount, from the year 1993 until 1995), after deducting from the amount due the payments that PPC made to the Bank in repayment of the loan instalments, when they became overdue (after Bank's lawsuit). In any case, an expert opinion will be needed.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Pricing of the General Mining and Metallurgical Société Anonyme LARCO (LARCO)

With the submission of the amendment plan - addition to a Law, which related to the regulation of LARCO's Issues and in order not to be hindered, for reasons of public interest, the process of LARCO's privatization, as described in the above amendment plan, PPC's Board of Directors decided to continue the electricity supply to LARCO (Decision No. 11/11.2.2020), under the following conditions: a) the fully and timely payment of electricity bills upon the entry into force of the law and b) the signing of the Electricity Supply Contract, with the special administrator immediately after its appointment.

Already, after the publication of the relevant article 21 of L.4664/2020 and the appointment of the special administrator in LARCO, the new Electricity Supply Contract for the period 01.03.2020-31.12.2020 with the special administrator of the Company was signed on June 1st, 2020.

Due to the expiration of the said Electricity Supply Contract on 31.12.2020, PPC had sent its proposals to LARCO regarding the pricing terms, while the relevant negotiations took place. Despite PPC SA efforts of good faith in the context of long negotiations, LARCO did not respond. Already, for June 2022 consumptions and henceforth it is billed with a floating price linked to the wholesale electricity market.

LARCO has paid on time the bills issued during the time it is under a special administration, while PPC has taken appropriate actions to ensure the settlement of the electricity bills,that will be issued in the future. The production of LARCO's factory has been suspended from August 2022, by the decision of the special administrator of the company.

Finally, it is noted that the tender for the sale of LARCO's fixed assets & factories by TAIPED was completed and the preferred contractor was declared. The conclusion of a relevant contract is expected.

It is noted that a provision of expected credit losses has been established for the total net receivables from LARCO of € 359 million as of June 30, 2023 (31.12.2022: € 367.6 million).

Following the invitation of the Special Administrator dated 22.04.2021 for the temporary announcement of claims of creditors of LARCO in accordance with the provisions of par. 7 (i) of article 21 of Law 4664/2020, PPC in terms of its claim was announced on time on 24.5.2021 (ie within one month from the publication of the invitation) and is expected to be classified in the non-privileged claims which can receive up to 10% of the auction amount (which is proportionally distributed to the creditors of this category).

PPC's claims from HALYVOURGIKI S.A.

PPC filed an application for a payment order before the Court of First Instance in Athens against the company under the name "HALYVOURGIKI S.A.", in which PPC claimed from HALYVOURGIKI to pay the total amount of € 30.5 million plus interest from the day following the expiry of the final bill issued after the termination of the Electricity Supply Contract between PPC S.A. and HALYVOURGIKI S.A. and until repayment.

The payment order No. 1769/2019 of the Single-Member Court of First Instance in Athens was issued which orders "HALYVOURGIKI S.A." to pay to PPC the above total amount, plus the amount of € 15 thousands for court costs. PPC notified the payment order in question to HALYVOURGIKI S.A. and further, on March 15, 2019, proceeded to serve a precautionary seizure in the hands of the banks, by virtue of the above payment order against "HALYVOURGIKI S.A."

Subsequently, on March 22, 2019, a Caveat and an Application for Suspension were served to PPC with a request for a temporary injunction of HALYVOURGIKI S.A. against PPC S.A. During the discussion of the request for a temporary injunction, which was heard on March 26, 2019, the request was rejected.

PPC, at the request of HALYVOURGIKI S.A., proceeded to a partial withdrawal of imposed precautionary seizure toward the Bank EUROBANK up to the amount corresponding to the payroll cost of that company's employees.

On the Caveat of HALYVOURGIKI S.A. against PPC S.A. which was discussed on October 2, 2019, the Multimember Court of First Instance in Athens by its decision No. 1080/2020, accepted partially the above caveat, annulling partially the Payment Order No. 1769/2019 for the amount of € 7.2 million, and confirming the above Payment Order for the remaining amount.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

PPC notified the above decision number 1080/2020, to HALYVOURGIKI S.A. on 8.3.2021, in order for the legal deadlines for the exercise of legal remedies to run, and filed an appeal on 14.5.2021 against "HALYVOURGIKI SA" and the above decision of the Athens Court of First Instance, for which the Hearing date was set on 8.12.2022 before the Athens Court of Appeal. HALYVOURGIKI S.A. filed a Counter Appeal served to PPC on the 7.11.2022, the Hearing of which was held on the same date as the date set for the aforementioned PPC's Appeal.

Furthermore, on February 15, 2019, HALYVOURGIKI S.A. filed against PPC an appeal for arbitration before the ICC (INTERNATIONAL COURT OF ARBITRATION) "due to PPC's failure to comply with the obligations under the Shareholders Agreement of 2009" between PPC S.A. and HALYVOURGIKI S.A., requesting PPC to be condemned to pay the amount of €270 million for consequential damage, which according to the appeal in question, HALYVOURGIKI S.A. suffered, with interest from the service of this appeal, plus € 1 million for moral damage which according to HALYVOURGIKI S.A. suffered.

Both HALYVOURGIKI S.A. and PPC S.A. appointed their arbitrators (each party appointed its arbitrator). The deadline for PPC's reply in order to define the group of its legal representatives as well as to collect the data needed to defend its positions, was set by the ICC on April 25, 2019. On April 23, PPC submitted its Reply to the above Appeal of HALYVOURGIKI S.A. and requested the rejection of the Appeal entirely and HALYVOURGIKI S.A. to be obliged with the guarantee measure for the amount of € 1 million and to be condemned to pay the total court costs of the Arbitration.

Subsequently, following the exemption requests against the appointment of the proposed arbitrators, the two appointed Arbitrators, in their joint letter to the Arbitration Court dated May 14, 2019, stated that they were unable to jointly appoint a Third Arbitrator and requested from the Arbitration Court to appoint the Third Arbitrator, pursuant to Article 12 par. 5 of the International Arbitration Rules ICC Rules 2017. Furthermore, (on August 10, 2019) the Parties submitted their comments on the appointment of Third Arbitrator in the trial in question.

Finally, the Arbitration Court has sent to the Parties a proposal for the appointment of an Arbitrator, which has been lawfully submitted to the Parties its Independence Declaration citing the cases in which the Arbitrator has been involved in relevant legal proceedings and the Court invited the Parties, until September 10th, 2019, to submit any objections to the appointment of the said Arbitrator. Neither PPC nor HALYVOURGIKI S.A. raised any objections. Therefore, the ICC Court ratified the appointment of the said third Arbitrator. Following this, on October 16, 2019, the first meeting of the Arbitration Court was held where the (TERMS OF REFERENCE) of the Arbitration were agreed.

PPC suggested the Bifurcation of the case, meaning that there will be an interim decision of the Court regarding the Responsibility claimed by the Plaintiff-Claimant and if the Court's Decision is in favour of this claim, then this decision should be followed by an examination of possible damages and amounts. The Court, by its decision, accepted the Bifurcation while the time frame regarding the procedure of evidence was set until October 2020.

More specifically, HALYVOURGIKI S.A. submitted its Proposals-Memorandum (Statement of Claim on Liability) on February 14, 2020 and PPC on May 4, 2020. In addition, in October 2020 the submissions from both sides of the Parties' Additions – Rebuttals as well as the hearing process took place. Subsequently and before the ruling of the Court, the Referee appointed by the applicant resigned. According to the ICC Arbitration Rules, at this stage it is possible for a decision of the Arbitration Court to be issued by the two remaining members. However, on February 4, the applicant (HALYVOURGIKI SA) suddenly submitted an application for the exclusion of the appointment of the arbitrator appointed by PPC and of the third arbitrator as well.

The Parties, as well as the arbitrators, have been summoned by the International Court of Arbitration of the ICC (International Court of Arbitration of the International Chamber of Commerce) to submit opinions on the requests for the rejections of arbitrators. The applicant further on 4.3.2021, filed additional requests for exemption of the above Arbitrators. The Court again asked the parties involved to submit their views until 11.03.2021. The parties submitted their views on time. In addition, on 29.04.2021 the Court extended the deadline for the issuance of the arbitral decision until 31.05.2021.

On 12.05.2021, the ICC Court informed the parties for its decision to reject the above requests for exemption that HALYVOURGIKI S.A. filed against the above Arbitrator and the Third Arbitrator and the approval of the draft Decision of the Arbitration Court submitted on behalf of the two Arbitrators on the appeal of HALYVOURGIKI

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

S.A. against PPC and announced that the official decision on the appeal will be notified within the legal deadline (ie until 31.5.2021), as soon as it receives the signatures from the Arbitrators of the Arbitration Court.

Subsequently, on 26.05.2021, the Arbitration Court notified the Parties of its Decision, by which it completely rejected the appeal dated 15.2.2019 of HALYVOURGIKI S.A. (Case with number 24270/AYZ) and vindicated PPC.

In particular, and according to the operative part of this Decision, all the claims and requests of HALYVOURGIKI SA are rejected and HALYVOURGIKI SA is ordered to pay to PPC, on the one hand, USD 350 thousand as well as €288.4 thousand for court costs and arbitration costs. The decision in question was served by PPC to HALYVOURGIKI SA on 1.6.2021. The decision is subject to appeal against annulment before the competent French courts within one month of service.

HALYVOURGIKI S.A. challenged the arbitral award in question with an action for annulment before the Paris Court of Appeal. It should be noted, however, that the action for annulment does not affect the res judicata produced by the above Judgment of the Court, therefore, at the present time it is not registered any provision for a claim against PPC from the case in question, as it no longer exists after the issuance in favor of PPC of the above Judgment of the Arbitration Court. The other party submitted an Opinion before the French Court on 28.1.2022.

PPC also submitted its Proposals on time. An act determining the discussion of the case by the Court is expected.

Furthermore, following an application by the National Bank (of February 23, 2021) before the Single Member Court of First Instance of Athens for the position of HALYVOURGIKI SA in a special management regime of articles 68-77 of law 43077/2014 (A'246/ 2014) and against on 5.4.2021, where the case was discussed, PPC, as well as Piraeus and ALPHA Bank, exercised additional intervention in favor of the applicant Bank (National) and against HALYVOURGIKI.

Subsequently, the no. 990/2021 decision of the above court was issued, which rejected the appeal as abusively exercised and therefore with no substance, including the additional interventions exercised. It is noted that, according to the lawyers representing the National Bank, an appeal was to be filed, which it has not been notified so far to PPC.

HELLENIC HALYVOURGIA S.A.

HELLENIC HALYVOURGIA S.A. had filed the lawsuit dated 31.08.2010 before the Athens Multi-Member Court of First Instance against PPC SA, by which it asked to be recognized that PPC SA must pay to HELLENIC HALYVOURGIA SA the amount of € 4.4 million, which corresponds to the amount included in the accounts issued by PPC SA, after the unilateral increase by PPC of the High Voltage tariffs by 10% on the valid ones until 30.06.2008 Invoices, for the period of consumption from 01.07.2008 to 30.04.2010, with the legal interest from the service of the lawsuit.

On the above lawsuit, the decision No. 3863/2014 of the Athens Multi-Member Court of First Instance was issued, which partially accepted the lawsuit against which an Appeal was filed by PPC (as well as Additional Reasons), which Rejection was rejected under No. 4702/2021 of the decision of the Athens Court of Appeal. The decision recognizes that PPC SA must pay to HELLENIC HALYVOURGIA S.A the amount of € 4.4 million, with legal interest from the service of the lawsuit until the full payment, as compensation for damage that, according to the Decision in question, the other party suffered due to, inter alia, no previous negotiation with the other party of its electricity supply price.

Following this, and given the recognizable character of the decision No. 3863/2014 of the Athens Multi-Member Court of First Instance, which became final, the other party may request to collect the above awarded amount (of € 4.4 million, with legal interest from the service of the lawsuit), if it takes the appropriate actions for its recovery. PPC filled an appeal against the above decision of the Athens Court of Appeals.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Furthermore, HELLENIC HALYVOURGIA SA submitted "an application for extension of preventive measures to suspend a complaint of essential conventions on the operation of the undertaking referred to in Article 50 par.4 No 4738/2020" before the Athens multimember court during the trial that took place on 12 January 2022, by which it requested within the framework of the already signed from 27.10.2021 Agreement on Resolution and Transfer of part of the assets of the company, which was included in the above petition of its application, to be ordered by the Court "as additional precautionary measures in its favor, the ban on termination of the current electricity supply relationship of HELLENIC HALYVOURGIA SA with PPC as well as the ban on PPC declaration of cessation of representation of the company's load meters, until the issuance of the Court decision on the application for ratification of the Resolution Agreement. The Court accepted this request and granted a temporary injunction until the issuance of its decision on the request for ratification of the Resolution Agreement of HELLENIC HALYVOURGIA SA.

A Decision of the Court was eventually issued which accepted a reduction of 87% of the amounts due to PPC by the said company and following this, the case of the above mutual claims was settled compromisingly for both parties. As a result, PPC proceeded in September 2022 in the write-off of receivables from HELLENIC HALYVOURGIA SA amounting to €71.2 million for which an equal amount of provision for expected credit losses has been established in previous periods and as such there was no adverse impact on the Group's and the Parent Company's results.

Finally, in October 2022, a relevant compromise was signed with the conclusion of a new relevant supply contract with the company in question and the case is closed, with the smooth execution of the said compromise.

Pricing of other High Voltage Customers (excluding LARCO)

The supply Contracts signed with High Voltage Customers expired on 31.12.2020. Due to this fact and according to the Provisional Code, PPC sent its proposals to those customers regarding the terms of pricing for year 2021, while the relevant negotiations started. New Electricity Supply Contracts have already been signed with the large High Voltage industrial customers excluding LARCO.

It is noted, however, that regarding the previous invoicing of Aluminum of Greece SA (now MYTILINEOS SA - GROUP OF COMPANIES), on the one hand, the final decision on 11 December 2019 of the EU Court [C-332/18 P] was issued, which confirmed the legality of Commission Decision 2012/339/EU of 13 July 2011 on State aid SA.26117 - C 2/2010 (ex NN 62/2009), which was implemented by Greece, through PPC, in favour of Aluminum of Greece SA (EU 2012, L 166, p. 83) and ordered the legal recovery of the state aid amounting to € 17.4 million, due to the application of the preferential tariff during the disputed period from 5 January 2007 to 6 March 2008. On the other hand, three cases are pending before the General Court of the EU (T-639/14 RENV, T-352/15 and T-740/17) against (corresponding) decisions of the European Commission, with which it filed (corresponding) complaints of PPC for violation of provisions on state aid against the decision of RAE (346/2012, of May 9 2012) and the Arbitration Court, which set a temporary sale price of electricity of PPC to the then Aluminum S. A., to 42 €/ MWh and the decision of the special Arbitration Court (1/2013, of 31 October 2013), which amended the above decision 346/2012 of RAE reducing the electricity tariff provided to Aluminum S.A. for the period from 1 July 2010 to 31 December 2013 in a gross amount of 40.7 €/MWh, ie a net amount of 36.6 €/MWh.
On 8 October 2020, the above three cases were heard before the General Court of the EU. It is pointed out that Mytilineos had intervened in favor of the Commission. On September 22, 2021, the General Court of the European Union issued its Judgment annulling both the TEN-639/14 RENV and T-352/15 and T-740/17 and ordered the Commission to pay PPC's total legal costs.

The Court accepted, in the grounds of the Decision, that in the present case, *"the Commission, ……. could not, on the one hand, not check whether the arbitral award entailed an advantage;…. and, on the other hand, not to carry out, for this purpose, complex financial estimates, in particular regarding the compatibility of the tariff in question with normal market conditions of the market….. In this case, the particular circumstances which should lead the Commission to make a diligent, adequate and complete examination of the possible award, through the arbitral award, of an advantage to the intervener as well as of complex economic and technical considerations in that regard… [paragraphs 164 and 167]".*

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

The European Commission then challenged the judgment of the General Court of 22 September 2021 (in Cases T-639/14 RENV, T-352/15 and T-740/17). Similarly, Mytilineos SA challenged this Decision. PPC submitted its Memoranda on the above actions within the prescribed period (Case C-739/21 P and C-701/22).

Finally, the German Republic has requested to the Court for permission to intervene in the above cases in support of the Commission. Following a Letter by the Court dated 26.08.2022, PPC filed an application to participate before the Court at the Oral Hearing in relation to the aforementioned Case C-701/22, in order to have the opportunity to elaborate on its argumentation in relation to certain legal issues of the Case.

Judgement of a tax dispute case for the years 2006-2008

In July 2011, the final audit reports of the Company's tax audit for the years 2006 – 2008, as far as the Income Tax is concerned, were released after a relevant decision of the Ministry of Finance that electricity benefit from the personnel electricity tariff to the Group's employees and pensioners "constitutes the Company's own discretion and free will and cannot be deducted from its gross revenue". The difference between the tariff for residential use and the personnel tariff to the Group's employees and pensioners for the years 2006-2007-2008 amounted to €107 million that were included in the taxable income of PPC. Given that PPC in the years 2006-2008 had tax losses which were carried forward to year 2009, a Partial Tax Audit Report was issued for the year 2009, as a result of which a tax amount of €26.7 million plus surcharges amounting to €9.1 million (Total amount: €35.8 million) was charged to PPC for the year 2009.

Against the Audit Reports for the years 2006 – 2008, an appeal was brought to the Administrative Court of First Instance of Athens, which was dismissed for formal reasons pursuant to the no.10769/2016 decision. Then, in 2017, a second appeal with the same content was brought again (registration no. ΠΡ10518/2017), which was discussed on 19.10.2022. On this second appeal, published on 16.11.2022, under decision no. 15884/2022, by which the issuance of a final decision is postponed, until the publication of the decision of the Plenary of the Council of State on the referral decision no. 2460/2021 of its 6th Section, which will judge whether the possibility of a second appeal is in accordance with the Constitution. Subsequently, a new trial will be scheduled, at which time the above second appeal of PPC SA will be discussed again.

An appeal was filed against the Partial Tax Audit Report for year 2009 before the Athens Administrative Court of Appeal. With the filing of the appeal, the 50% of the debt was suspended and the Parent Company paid an amount of €17.9 million. The Administrative Court of Appeal accepted the appeal of PPC SA with decision no. 5677/2013. Following this, the Greek State returned to PPC the amount of €17.9 million. Subsequently, the Greek State appealed against the decision of the Athens Administrative Court of Appeal, which was accepted by virtue of decision no. 289/2022 of the Council of State, which, however, did not examine the stated legal issue as to its essence. As a consequence of this, on 11.11.2022 PPC was once again provided with a partial Tax Audit Report under no. 174/201, where an amount of €47.4 million plus surcharges of €17.8 million, totaling to €65.2 million was marked as certified, which was settled through netting off receivables from the Greek State within 2022 of €56.7 million and within 2023 of €8.5 million.

PPC SA filed before the Administrative Court of First Instance of Athens on 12.12.2022 an appeal for the suspension for all the cash certificates as well as a contested appeal on 12.12.2022 before the Dispute Resolution Department against the imposition of the additional tax. Both the appeal for the suspension and the contested appeal are still pending.

Although PPC cannot exercise legal remedies against the decision of the Council of State, it can nevertheless claim the return of the imposed tax differences, in the event that its pending appeal before the Administrative Court of First Instance of Athens, concerning the years 2006 - 2008 is accepted.

For those tax differences, the Parent Company had established in previous years a provision for this case amounting to €57.1 million and as result, the results for the year 2022 were burdened only for the remaining amount of €8.1 million.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Lawsuit against the Hellenic Capital Market Commission

The Group (through its subsidiary HEDNO) at each balance sheet date calculates based on an estimation method the Network Usage Fees related to the consumed and unbilled energy for the non-monthly metered connections in the Non-Interconnected Network of Low Voltage. This estimate was invoiced by HEDNO to the electricity providers and in the next period the relevant settlement was carried out. The specific procedure was done on a monthly basis due to the specific obligations of the relevant department based on RAE guidance and the additional role it has in the energy market in non–interconnected islands.

On the contrary, for the non-monthly metered connections of Low Voltage in the Interconnected Network, due to the complexity, the significant number of connections, but also the different obligations of the Company in the Interconnected Network and the way of pricing the relevant Network Usage Fees, HEDNO and as well the Group did not recognize a corresponding provision of accrued income until the year ended 31/12/2019.

During the year ended 31/12/2020, HEDNO re-examined the method of recognizing the revenue from Network Usage Fees in the Interconnected Network, in order to reflect those revenues that correspond to the consumed and unmetered energy and which has not been invoiced for those connections.

Based on the specific estimates (Note 44 of the annual financial statements of PPC as of 31.12.2021), it was concluded that the Group's retain earnings as of December 31, 2019 appear underestimated, as the revenue accrual mentioned above was not recognized. In addition, the Parent Company did not recognize part of the accrued income as the owner of property, plant, equipment of the distribution network sector and respectively the accrued expense for the payment of distribution network usage fees as electricity provider to HEDNO.

In the Group's and Parent Company's financial statements as of December 31, 2020, there was no restatement of the figures of the comparative period for the above adjustment that took place, as the effect of the non-restatement on the financial figures of the Group and the Parent Company was not considered significant and especially on "EBITDA" and "EBITDA Recurring", which are the ratios that have been evaluated by the Group and the Company as the key ones used by the main users of the financial statements to evaluate the Group's and the Parent Company's financial performance.

With the letter dated 1.2.2022, the Hellenic Capital Market Commission requested the Parent Company (PPC SA) to proceed with the restatement of the relevant figures in the Group's financial statements of December 31, 2021, in accordance with the provisions of IAS 8. The Group and the Parent Company keep their position that their initial judgement is correct, that the effect of the non-restatement does not meet the criteria of significance and do not agree with the request by the Hellenic Capital Market Commission toward the Parent Company to restate relevant figures and has already challenged the above act before the competent courts. Exclusively, for the avoidance of imposition of sanctions against them, the Group and the Parent Company proceeded to restate the relevant comparative figures in the financial statements of December 31, 2021, reserving all their rights and especially their right to request the cancellation of the above action. Therefore, and in accordance with the above, the Group and the Parent Company restated the comparative amounts of the previously presented periods in their financial statements of the year ended 31/12/2021, with the earlier of the presented periods, ie 01/01/2020.

The trial of the case was set on 18/11/2022 and was postponed for 28/04/2023, when it was further postponed for 29/09/2023.

PPC's relation to its personnel's Social Security Funds

Despite the fact that under the current legislation the Group does not have any obligation to cover in the future any deficit between revenues and expenses to PPC's personnel Social Security Funds, there can be no assurance that this regime will not change in the future. PPC S.A. has not established a provision for the subject in question.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

PPC's audit by the European Commission's Directorate-General for Competition

In February 2017, the European Commission's Directorate-General for Competition conducted a drawn raid audit to PPC in accordance with Article 102 of the Treaty on the Functioning of the European Union Regulation and pursuant to the relevant decision of the Commission dated 01.02.2017, for alleged abuse of a dominant position on the wholesale market for the generation of electricity from 2010 and onwards.

In March 2021, the European Commission announced that it has opened a formal antitrust investigation to assess PPC's activity in the Greek wholesale electricity market. This investigation is in process.

ENVIRONMENTAL OBLIGATIONS

Key uncertainties that may impact the final level of environmental investment which the Group will be required toundertake, over the forthcoming decade, include:

1. The Joint Ministerial Decision ΕΠΟ/2017 regarding the Environmental Terms for HPP Messochora based on which PPC was to complete the hydroelectric project and at the same time to carry out protection projects to preserve part of the Messochora Village (Sector D), ceased to be valid after the issuance of the 2230/2020 annulment Decision of the Council of State.

The above decision was issued after an appeal by the association of the Flooded Village of Mesochora "Acheloos" in the Council of State, with its main request to cancel the Decision regarding the Environmental Terms, invoking the historicity of the Village. As it is apparent from the reasoning of the Decision, the contested decision (AEPO) lost its legal basis as it did not grant a reappraisal of the environmental conditions approved by the contested decision as to their compatibility with the approved updates of River Basin Management Plans (RBMP) of Western Central Greece and Thessaly, as well as the provisions of the Revised Regional Spatial Planning Framework of the Region of Thessaly.

It is noted here that the cancelled AEPO had examined and documented the environmental, social and economic feasibility of the project, and justified the inclusion of the project in par. 4 on the exceptions to the objectives of Directive 2000/60 EC and on the other hand the construction of the project as a purely energy project and not related to the Acheloos Partial Diversion projects.

PPC initiated procedures for the re-drafting and submission of an Environmental Impact Assessment (EIA) for the issuance of a new AEPO, following the below steps (Actions):

- Actions for the implementation of the process of informing the existence of the project in the existing Spatial Plan of Thessaly (HS), due to the existing reference that is already made in the Map that accompanies the HS for the HP.

- Actions to confirm the agreement of the Project with the River Basin Management Plan (RBMP), 1st revision of the RBMP (2017), as it refers to the fact that the water bodies affected by the Mesochora HPP have been examined and comply with the exemption rules Directive 2000/60 and remain in force.

In relation to the compatibility actions of the project with the existing Spatial Plan of Thessaly, the Central Council of Spatial Issues and Disputes met on 07.05.2021 and unanimously gave the opinion that the Hydroelectric Project (HP) is compatible with the Regional Spatial Planning. The positive opinion of the central council of spatial issues and disputes is a necessary step for the process of issuing the new Decision for the Approval of Environmental Terms (AEPO). Following the elaboration of the new Environmental Impact Study and its submission for approval to the competent Public Authorities, on April 29, 2021, the new AEPO was issued on 21.12.2021 for the completion of the MESOCHORAS HPP. Also, on 27/01/2023, a Partial Installation Permit of the Mesochora HPP was issued.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Based on the current progress of the action for the update of the Project Installation Permit and for the completion of the actions by the competent local Agencies and Authorities, regarding the fulfillment by PPC of the Conditions of the AEPO, which are a condition for the Blocking of the Diversion Tunnel, the possibility of blockage and the beginning of filling the Reservoir, are placed within 2025, with estimated operation of the project in the last quarter of 2026. However, it should be note that the effort made by PPC S.A continues so that, in cooperation with the State and the competent Agencies and Authorities, the blockage will become possible within 2024, with the project operating in the last quarter of 2025.

The total cost for the project as of June 30, 2023 (after impairments of € 8 million) amounted to € 282.5 million, while it is estimated that another € 80.9 million will be required, until the completion of the project, including the required expropriations in the area of the project as well as in the area of the relocation of the new Village.

2. In December 2010, the new Directive (2010/75/EU) was issued for industrial emissions (Industrial Emissions Directive – IED), revising Directives IPPC and 2001/80/ EC, which is effective from January 6th, 2011. Following the provisions of Article 32 of Directive 2010/75/EU, a Transitional National Emissions Reduction Plan (TNERP) for the period 2016-2020 was elaborated and officially submitted by Greece to the EU at the end of 2012. The TNERP was approved by the EU on 26.11.2013.

The duration of TNERP was from 01.01.2016 until 30.06.2020 and the entire period of its validity PPC fully complied with its objectives. With the expiration of TNERP, Units I and II of Ag. Dimitrios were included in a regime of limited operation (from 01.07.2020, 1500 hours per year as a rolling average of five years), while in Units III, IV and V the necessary environmental investments have been completed in order to continue their operation.

Amynteo and Kardia stations that had joined the restricted operation regime have already ceased operations permanently.

The Directive (2010/75/EU) is in the process of being revised. PPC SA monitors the developments and possible effects having actively participated in the relevant consultation.

3. In 2011, the process of revising the Reference Document on Best Available Techniques Manual for Large Combustion Plants within the framework of Directive 2010/75/EU and is coordinated by the EIPPCB (European IPPC Bureau) began. With the Commission's decision (EU) 2017/1442 on July 31, 2017, the Conclusions on Best Available Techniques for Large Combustion Plants were determined under Directive 2010/75/EU. The Decision was published in the Official Journal of the European Union on August 17, 2017.

Then, the decision of January 27, 2021 of the General Court annulled the executive decision (EU) 2017/1442 but temporarily maintained its effects until a new executive decision is issued. After the settlement of the legal challenge to the Decision of the General Court with the Decision of the Court of the EU of 14.7.2022, the new executive decision (EU) 2021/2326 is in force, issued on 20 November 2021. After the issuance of the legally binding conclusions of the revised Manual, the required investments in the thermal plants were examined.

In SES Agios Dimitrios, no further environmental investments are planned, apart from the investments that have been completed (primary NOx emission reduction measures in Units I-IV and liquid desulfurization in Unit V). In the combined cycle units of Komotini and Lavrio V, small-scale upgrades of the combustion systems are implemented (total budget for both Units amounting to €3.6 million with the environmental part corresponding to the DLN Lavrio V upgrade amounting to € 3.0 million) to reduce NOx emissions.

To this date, requests for deviation from the emission levels of EA 2017/1442/EU have been submitted based on Article 15.4 of the IED for specific Units taking into account, inter alia, their remaining life. After correspondence with the Ministry of Environment and Energy, the requests were resubmitted with updated information and finally approved by Decision YPEN/DIPA/124145/7794/27.12.2021 (ΑΔΑ: 9ΨΧ04653Π8-ΞΧΩ): “Approval of requests for

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

inclusion of Atherinolakkos (Units I-II), Meliti (Unit I), Megalopolis (Unit IV), Agios Dimitrios (Units I-II, III-IV, V) of PPC S.A. and its subsidiaries in the provisions of articles 12.4 and 27.1 of JM 36060/1155/E.103/2013 (OG B'1450) as in force".

After submission of a request from PPC in November 2022, a modification-update of the aforementioned Decision was approved by Decision YPEN/DIPA/122340/8040/14.12.2022 (ΑΔΑ: 6ΧΘ14653Π8-577), regarding Meliti (Unit I) and Agios Dimitrios (Units III-IV). A corresponding request will be considered, if necessary, for the new Ptolemaida V Unit.

4. On November 28, 2015 Directive 2015/2193 of the European Parliament and the Council of November 25, 2015 was published in the Official Journal of the European Union, on the limitation of emissions of certain pollutants into the air from Medium Combustion Plants, regardless of the type of fuel used. Medium Combustion Plants are defined as plants with a rated thermal input equal to or greater than 1 MW_{th} and less than 50 MW_{th}. Pollutants in question are sulfur dioxide (SO2), Nitrogen oxides (NOx) and dust, while rules for monitoring carbon monoxide (CO) are defined. Production units of such a size, operate mainly in the islands (engines and turbines). Also, in many of PPC's power generating stations, there are many G/S and auxiliary boilers, but with limited operating time.

The provisions of the directive to limit the emissions of certain pollutants into the atmosphere from Medium-sized Combustion Units (MCPD) are thoroughly examined by the competent PPC Services, so as together with the competent Greek authorities to timely promote appropriate strategies for the electrification of the islands with technically and economically viable solutions, which must also be implemented in a timely manner, and in any case before the expiration of the deadlines provided by the Directive. For existing units in Small Isolated Systems, compliance with the new Emission Limit Values is expected from 01.01.2030 onwards. Electricity generating units of this size, operate mainly on the islands (engines and gas turbines), while in many of PPC's generating stations, there are G/S and auxiliary boilers, but with limited operating time.

All the Aegean islands, starting from Crete, will be interconnected within the period 2020-2030, in accordance with IPTO's Ten-Year Development Plan 2021-2030 and the National Energy and Climate Plan (NECP), while any remaining electricity generation units will operate as a backup solution only in case of emergency in accordance with the provisions of the Directive for these cases. It should be noted that the interconnection of Syros, Mykonos and Paros has been completed since the first months of 2018.

5. The extent of land contamination is assessed by PPC for its liable facilities, following the provisions of art. 22 of Directive 2010/75/EU and Environmental Terms Approval taking all appropriate precautionary measures. Indicatively, the submission to the Ministry of Environment of the Basic Reports in the context of the withdrawal, decommissioning and restoration of PPC Units such as those of thermal power plants Kardias (I-IV), Aliveri (I-IV) and Lavrio (I-III).

6. PPC has performed studies on the presence of asbestos-containing materials, at its facilities. Upon submission by PPC of a full environmental impact assessment study, the Ministry of Environment issued in May 2004 the environmental permit for the construction and operation by PPC, in its facilities in Ptolemaida area of an environmentally – controlled Industrial Waste Management Area for the management and final disposal of asbestos containing construction materials, from the power plants of the Northern System.

With the real estate transfer contract no. 37244/ 05.06.2015, which has been legally transcribed, PPC transferred full ownership of the Industrial Waste Management Area, located at the Kardia Mine of the Western Macedonia Lignite Centre, in DIADYMA S.A. From the date of signing the contract, DIADYMA S.A. is responsible for the Area's
management. It is noted that any dismantling/ removal of materials containing asbestos from PPC facilities is carried out by companies properly licensed for this purpose.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

7. In view of PPC's decarbonization project and in order to obtain New Terms, an AEPO (Decision Approving Environmental Conditions) Amendment File for the Amynteo-Lakkia's mine and Updates for the Ptolemaida and Megalopolis' mines Environmental Impact Assessment (EIA) studies have been submitted. Also, an Environmental Impact Assessment (EIA) Amendment File for Kleidi mine is being prepared.

8. At their request before the CoS, two environmental protection bodies (a non-profit company and a public benefit institution) request the cancellation of the failure of the Minister of Environment and Energy to amend, otherwise replace, the decision approving environmental conditions (AEPO) of Unit under construction Ptolemaida V, omission that occurred after the tacit rejection of a corresponding request before the same Minister.

In particular, they argue that AEPO is flawed because the emission limits it sets for some gaseous pollutants do not comply with the limits set by the European Commission Implementing Decision setting out the best available techniques [(EU) 2017/1442], based on of Directive 2010/75/EU on industrial emissions (IED Directive). According to the applicants, "the operation of the Ptolemaida V Unit, as expected and resulting from its technical specifications, will not be able to meet the new emission limits of the gaseous pollutants in question."

9. In addition to the other environmental obligations arising from the approvals of environmental conditions of the Production Stations and Mines, in 2019 PPC voluntarily undertook the obligation to proceed with the dismantling or alternative utilization of the facilities of all Production Stations and Mines and removal of their equipment, when these facilities cease to operate, as well as in the restoration of land areas. For this liability, the required provisions amounting to € 482.3 million were recognized on June 30, 2023 (31 December 2022: € 477.1 million) for the Group and the Parent Company.

10. During the first half of 2023, towards the improvement of the environmental behavior of the Power Generation Units of General Department of Lignite Production and General Department of Thermoelectric and Hydroelectric Production:
    - A new EMS according to ISO 14001:2015 for HPS Plastira was certificated (03.04.2023)
    - Environmental Management Systems (EMS) of six PPCs' Steam and Hydro Electric Stations were re-certificated by independent Certification Bodies, after surveillance audits.
      The process for a new EMS for the under-construction HPS Mesochoras is undergoing.
    - The process for the implementation of seminars on "Energy Management Systems, according to ISO 50001:2018" has begun, with the collection of participations of employees in the Company.

11. In October and November 2020, new CO_2 emission licenses were issued, for the 4th implementation phase of the European Union Emissions Trading System (EU ETS) from January 1, 2021 to December 31, 2030. As of June 30, 2023, 30 emission licenses are in force for PPC's bound facilities.

On 31.03.2023, the verification of the annual emissions reports for the 30 bound plants of PPC for 2022 by accredited third party verifiers was completed and the reports were promptly submitted to the Competent Authority, according to the current legislation. The total verified CO_2 emissions for 2022 amounted to 14.81 Mt including the facilities of ex lignite subsidiaries.

According to the current European and National legislation, during the 3rd and 4th implementation phase of the EU-ETS (period 2013-2020 and 2021- 2030), PPC is not entitled to free allocation of emission allowances for its bound stations, with the partial exception of allowances allocated for emissions corresponding to the generation of thermal power for district heating. During the first quarter of 2023, about 13 thousand emission allowances were allocated to PPC free of charge, corresponding to generation of thermal power for district heating.

Based on provisional ex-post data, the CO_2 emissions of the Company's bound plants for the period 01.01.2023 – 30.06.2023 amount to 4.79 million tons. In addition, the total CO_2 emissions of the Company's bound plants for the rest of the year (01.07.2023 – 31.12.2023) are estimated to 6.38 million tons. Consequently, the total CO_2 emissions allowances that PPC will have to deliver for compliance purposes for the period 01.01.2023 – 31.12.2023 are estimated at 11.16 million tons.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

It is noted that CO_2 emissions of 2023 will be considered final by the end of March 2024, when the verification of the annual emissions reports by accredited third party verifiers will be completed.

INVESTMENTS

Metsovitiko Hydroelectric Power Plant (HPP)

Metsovitiko HPP of an installed capacity of 29 MW is expected to enter commercial operation in the second half of 2024. Future contracted capital expenditures as of June 30, 2023 amounts to € 10.97 million (31.12.2022: €11.5 million).

A new Steam Electric Unit 660 MW in Ptolemaida

With the agreement Convention 11 09 5052 of Thermal Projects Engineering – Construction Department, that entered into force on 21.03.2013, the execution of the Project: "SES PTOLEMAIDA - Study, supply, transportation, installation and commissioning of a new Unit V of mixed capacity 660 MW, with powder lignite fuel, and ability to generate thermal power 140 MWth for district heating", was assigned to the company TERNA S.A. for a Contractual Consideration of €1.388 billion. Following the issuance of Supplement No.1, No.2 and No.3 (refers to district heating) the Total Contractual Consideration amounts to €1.394 billion. Future contracted capital expenditures as of June 30, 2023 amounts to €52.6 million (31.12.2022: €64.3million).

A new natural gas Unit of 840 MW capacity

PPC S.A. purchased on December 20, 2022 the 51% of the shares of the Company “Power Generation Alexandroupolis Sole Shareholder S.A.” from the company Damco Energy paying an amount of €3.2 million. The remaining shareholders of the company are DEPA Supply with 29% and Damco Energy with 20%. The new subsidiary company plans the construction and operation of a new natural gas-fired power plant, with a nominal capacity of 840 MW, in Alexandroupolis. The new unit will be directly connected to Gastrade's under construction Floating Natural Gas Storage and Gasification Unit (FSRU). The equipment that will be installed in the unit will be able to burn hydrogen and will be able to operate with mixed fuel.

The project has received the Decision of Approval of the Environmental Conditions (AEPO) and its construction work started at the end of 2022 while it is expected to be completed in 2025. The contract price of the project after revisions at the beginning of 2023 amounts to €357.8 million, while the outstanding balance of the contract on June 30, 2023 amounts to € €306.8 million

Research, Development and Exploitation of Geothermal potential

The subsidiary PPC RENEWABLES S.M.S.A has leased from the Greek State the geothermal potential Research and Management rights of four (4) public mining sites: a) Milos-Kimolos-Polyaigos, b) Nisyros, c) Lesvos and d) Methana.

PPC RENEWABLES S.M.S.A in agreement with the associate company GEOTHERMAL TARGET TWO (II) S.A., which has undertaken the development of geothermal power plants in these areas, has proceeded with the development plan foreseen for the years 2021 and 2022, while the corresponding program for the year 2023 has been agreed in the last quarter of 2022.

Wind Parks

The construction works of the 27.6MW Wind Park at the "Aeras" sites of the Municipality of Mouzaki and "Afentiko" of the Municipality of Argithea have almost been completed. The electrification took place in July 2023 and the start of semi-commercial operation is planned for September 2023.

Construction works for the Doukas Wind Park, by the 100% subsidiary of PPC RENEWABLES S.M.S.A, “AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS”, with a capacity of 26MW, a total budget of €28.5 million, in “DOUKAS” location of St. Anargyroi, Kleisoura and Lechovo locations of the Municipalities of Kastoria and Amynteo, of the prefectures of Kastoria and Florina in the Region of Western Macedonia, started in September 2022. Construction works are expected to be completed in July 2024.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Construction works for the Koukouli Wind Park, by the 100% subsidiary of PPC RENEWABLES S.M.S.A, “AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS”, with a capacity of 13.2MW, a total budget of €16 million, in the “Koukouli-Grivas” location in Shiatista of the Municipality of Voio, of the Kozani prefecture in the Region of Western Macedonia, started in September 2022. Construction works are expected to be completed in December 2023.

Small Hydro Plants

The construction of the MYIE Smokovo II (3.2 MW) is completed, while its operation depends on the release of irrigation benefits.

The construction of the MYIE Makrochori II (5 MW) is in full progress (project progress 97%). the powerhouse and the tailrace are completed, and the forebay water conveyance works are under construction. The project is expected to commence operation in the third quarter of 2023.

Photovoltaic Stations

Construction works from the 100% subsidiary of PPC RENEWABLES S.M.S.A “SOLAR ARROW ONE SINGLE MEMBER S.A.”, for the PV Plant of 200 MW capacity, of a total budget of € 100 million at the “Lignitiko Kentro Dytikis Makedonias” area, in the regional unit of Kozani, began in June 2021.Construction works has been completed by April 2023.

Construction works of the PV Plants of 39 MW and 11 MW capacity, from the 100% subsidiaries of PPC RENEWABLES S.M.S.A “ARKADIAN SUN ONE S.M.S.A.” and “ARKADIAN SUN TWO S.M.S.A.” respectively, with horizontal single-axis trackers, and a 33/150kV Substation, of a total budget of € 29 million, at “Megales Lakkes” plot, in the regional unit of Arcadia, began in September 2021. Installation works have been completed and electrification is expected within July 2023.

Construction works of the “Agios Christoforos 1" PV Plant of 64.983 MW capacity with fixed tilt mounting structure and the expansion works of the 150kV “Agios Christoforos” Substation through the addition of a new 33/150kV transformer, of a total budget of € 31.8 million at “Agios Christoforos” plot, in the Municipality of Eordea, Kozani Regional Unit, began in May 2022. It is expected that construction works will be completed by September 2023.

Construction works of “Pteleonas 1”, “Pteleonas 2”, “Charavgi 1” and “Charavgi 5” PV Plants of 94.98122 MW total capacity, with horizontal single-axis trackers and bifacial PV modules and the extension of the “Charavgy” 150kV substation, of a total budget of € 62.34 million, in the Municipalities of Eordea and Kozani, at Kozani Regional Unit, began in September 2022. It is expected that by November 2023 all works will have been completed.

With respect to the 550 MW PV Plant “Mine PPC Ptolemaida”, with horizontal single-axis trackers and bifacial PV modules, and the necessary grid connection works, of an indicative total budget of € 216 million, in the Municipalities of Eordea and Kozani, at Kozani Regional Unit, the tender process has been completed. The signing of the Contract was made in July 2023.

In addition, PPC, based on the implementation of the National Energy and Climate Plan and the utilization of existing infrastructures that permanently cease operation, has designed and implemented energy storage projects (at the Kardias Mine) as well as the installation of new means of thermal energy production to cover the thermal needs of the interconnected district heating system (DHW). At the same time, the subsidiary PPC RENEWABLES S.M.S.A is developing projects of PV Stations and energy storage stations with BESS which are planned to be interconnected in a common substation utilizing the infrastructure of the Gates of Units I & II of the former SES KARDIAS.

The project is a necessary condition for the operation of the 550MW PV Station ORYCHIO PPC PTOLEMAIDA. The Electronic Process of the SITHYA project has been completed and the assignment of the project to the counterparty and the signing of the project construction contract are expected. The estimated completion and commissioning of the project is placed in the second quarter of 2025 with a total investment budget of €4.3 million for the Parent Company and €11.5 million for the subsidiary company.

(All amounts in thousands of Euro, unless otherwise stated)

15. OTHER DISCLOSURES

Tangible Assets

For the six-month period ended June 30, 2023, the Group's and the Parent Company's new tangible assets (excluding works in progress) amounted to € 214.7 million and € 2.8 million respectively (June 30 2022: Group € 115.3 million, Parent Company € 1.6 million). These amounts for the Group mainly are investments in the Distribution Network. Furthermore, construction of new tangible assets was completed, and their cost was transferred from Works in Progress to the Group's and Parent Company's tangible assets that are in operation totaling to € 27.2 million and €22.5 million respectively (June 30 2022: Group € 11.7 million, Parent Company € 10.0 million).

The additions of Fixed Assets under Construction of the Group and the Parent Company amounted to €231.9 million (of which €100.7 million relate to the new natural gas plant under construction in Alexandroupolis) and €60.8 million respectively (June 30, 2022: Group €128.3 million, Parent Company €67.7 million) and include capitalized borrowing costs totaling €17.3 million and € 14.2 million (June 30, 2022: €10.3 million) for the Group and the Parent Company respectively.
The tangible fixed assets of the Group have also included the tangible fixed assets from the new subsidiary companies of the RES portfolio amounting to €55.2 million (Note 3).

Intangible assets

As of June 30, 2023, the intangible assets include the intangible assets from the new subsidiaries of the RES portfolio amounting to €23.9 million and the goodwill recognized from the acquisition amounting to €12.7 million (Note 3).
Finally, the intangible assets include also the CO_2 Emission allowances that are increased by €74.5 million as of June 30, 2023 compared to December 31, 2022 as the Parent Company proceeded to purchase CO_2 Emission Rights through spot and forward contracts worth €468.9 million to cover the compliance of 2023 and 2024, while it consumed €394.4 million of Rights due to CO_2 emissions in the first half of 2023.

Derivative Financial Instruments – Other Reserves

On 30 June 2023, other reserves of the Group and the Parent Company include hedging reserves (after tax) of € 27.7 million compared to € (38.8) million on December 30 2022. The increase in reserves by € 60.9 million compared to December 31 2022 is partly due to the de-escalation of natural gas and electricity prices in the Energy Exchanges within the first half of 2023, while at the same time PPC took new hedging positions for the cash flows of natural gas and electricity for the fourth quarter of 2023 and the year 2024.

We present the movement of the hedging reserve for the six-month period ended June 30th, 2023:

	COMPANY				
Hedging Reserve	Gas commodity SWAP contracts	Gas commodity Futures contracts	Energy commodity Futures contracts	Total	Effect on:
balance 31/12/2022 (Debit)/Credit	**-**	**80,059**	**(118,925)**	**(38,866)**	
Gain/(losses) from valuation of effective hedging transactions	(1,130)	(24,867)	72,064	**46,067**	Statement of Comprehensive Income
Reclassification of hedging transactions in the Profit &Loss	-	(51,149)	66,014	**14,866**	From statement of comprehensive income to income statement (Electricity purchases, natural gas purchases)
Tax effect	-	(3,281)	8,938	**5,656**	Statement of Comprehensive Income
balance 30/06/2023 (Debit)/Credit	**(1,130)**	**762**	**28,091**	**27,723**	

15. OTHER DISCLOSURES (CONTINUED)

From the transactions hedging the risk from the fluctuation of the price of electricity and natural gas products within the first half of 2023, were reclassified from the Statement of Comprehensive Income to the Income Statement of Results of the Group and of the Parent Company losses before taxes of €66.0 million (30.06.2022: losses of €50.2 million) in Electricity purchases, pre-tax gains of €51.1 million (30.06.2022: €247.6 million) in the Natural gas purchases, i.e. total losses of €14.8 million (30.06.2022: gains of €197.4 million). All of these losses relate to positions for which hedge accounting ceased due to the implementation of the Temporary Mechanism for Returning Part of Next-Day and Intraday Market Revenues, which is in force until 30.09.2023, from 08.07.2022, (and extended until 31/12/2023 based on OG B' 4802/28.07.2023.

Also, on June 30, 2022, gains from natural gas price hedging operations amounting to €37.7 million were transferred to other comprehensive income as natural gas purchase contracts had been closed due to the reduction of future needs for natural gas purchase (hedged item) for the period August 2022 - December 2022 as a result of Greece's energy efficiency measures.

Finally, for the Group, the Reserve from hedging operations also includes the valuation of the interest rate swap contracts concluded by the Group for hedging purposes, the reserve of which amounted to €0.9 million on June 30, 2023.

Accruals and other liabilities

On June 30, 2023, accrued and other liabilities amounted to € 1,312.3 million and € 1,278.7 million for the Group and the Parent Company and appear reduced by € 671.5 million and € 719 million, respectively, compared to December 31, 2022 mainly due to the expiration of pre-purchase contracts for CO_2 emission rights within March 2023 (compliance 2022).

Change in accounting estimate of provisions for receivables from low voltage customers

The Group and the Parent Company apply the simplified approach provided for in IFRS 9 for the calculation of expected credit losses for trade receivables arising from Electricity sales. On June 30, 2023, the Group's and the Parent Company's assessment on calculating the expected credit loss for receivables from Low Voltage customers in settlement, was revised. This revision was carried out by examining the effectiveness of the Low Voltage customer debt settlement program and the service rate of settled debts.
From the change in this accounting estimate, the estimate of the expected credit loss for the total of trade receivables arising from Electricity sales amounts to € 2,436.5 billion on June 30, 2023. If revised way of calculating the expected credit loss of the settled debts of Low Voltage customers had not been applied, the estimate of the expected credit loss would have been increased by the amount of € 51.2 million.

Since the parameters taken into account for estimating the expected credit loss for receivables from Low Voltage customers in settlement are affected by various factors, it is not possible to accurately determine the impact of the change in this accounting estimate on the amount of the future calculated expected credit loss.

Voluntary retirement schemes

On June 30, 2023, the Group and the Parent Company recognized an additional provision for staff benefits due to voluntary retirement schemes of €11.4 million and €2.2 million respectively.

16. SUBSEQUENT EVENTS

In addition to those presented in other notes, the following events occurred from July 1st, 2023 until the date of approval of the Financial Statements:

Repayment of loans
During the period 1.7.2023- 03.08.2023, the Group and the Parent Company proceeded to debt repayments of € 43.1 million and € 39.1 million respectively.

New Bond Loan of subsidiary ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.

The subsidiary company ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A. signed a Bond Loan coverage agreement, for the issuance of a joint collateral secured bond loan, with the initial bondholder and representative of the bondholders, the NATIONAL BANK OF GREECE S.A. amounting up to €436.1 million. The main purpose, is the partial financing of the construction costs of the combined cycle Power Generation Station fueled by natural gas with a nominal power of 840 MW, in VI.PE. Alexandroupoli of the Municipality of Alexandroupoli of P.E. Evros. The above financing is expected to cover a leverage ratio of 60-65%. On 06/07/2023, the 1st draw of €51.4 million took place.

The subsidiary's shares were pledged by NBG in accordance with the share pledge agreement, as part of the collateral provided by the shareholders to the bank. In addition, letters of bank guarantee were issued by all the shareholders as collateral for the loan.

In addition, the above subsidiary company signed on July 3, 2023 a contract for the issuance of a subordinated unsecured common bond loan, amounting to €157.27 million with the Company's shareholders, namely PPC, DAMCO ENERGY and DEPA Supply, as an equity contribution for the financing of the above project expiring on 30.06.2042. The amount of € 74.4 million had already been paid by the shareholders of the subsidiary in February 2023 as amounts earmarked for the issuance of a bond loan (Note 8).

New common bond loan of the Parent Company

On 18/07/2023 it was approved by the Board of Directors of the Parent Company, the issuance of a joint bond loan without collateral or guarantees, amounting to €485 million with a duration of 5 years, with Piraeus Bank as Organizer and Greek Banks as Initial Bondholders, for general business purposes, including, among others, the partial financing of the acquisition of all the shares held by Enel and its subsidiaries in Romania.

Credit Agreement for an Open (Overdraft) Account of PHOEBE ENERGY S.M.S.A.

The subsidiary company PHOEBE ENERGY S.M.S.A. is developing a Photovoltaic Plant, with a total nominal power of 550MW, within the premises of the Lignite Center of Western Macedonia, at the location "PTP PTOLEMAIDA MINE", in the Municipalities of Eordaia and Kozani, in the Region of Western Macedonia. For its financing, the Credit Agreement was signed on 21.07.2023 for an Open Account with a credit limit of € 65 million between PHOEBE ENERGY S.M.S.A. and EUROBANK S.A. No drawdowns have taken place so far.

Signing of an agreement for the acquisition of an 84 MW wind farm in Romania

The Group has signed on July 21, 2023 , through its subsidiary PPC RENEWABLES S.M.S.A., an agreement with European subsidiaries of Lukoil Group to acquire a 100% stake in Land Power s.r.l., a Romanian wind park owner of a total installed capacity of 84MW. The wind park is located in Dorobantu and Topolog, Romania, the regions with the best wind conditions in Romania and generates more than 200GWh per year. The transaction was realized through a competitive process, with international companies participating, during which PPC RENEWABLES S.M.S.A was selected as the preferred bidder. The closing of the transaction is expected in the fourth quarter of 2023.

16. SUBSEQUENT EVENTS (CONTINUED)

Securitization of trade receivables from electricity sales for current accounts and accounts overdue up to 90 days

The Parent Company on April 9, 2021 signed the securitization contracts for receivables in arrears of more than 90 days and proceeded until June 30, 2021 to raise a total capital of €325,020 due in 2026 with an interest rate of 6.8% for an amount of securitized receivables with a nominal value of €1.645 billion and received subordinated bonds amounting to €145.4 million with an interest rate of 8%. Investors are Carval Investors and Deutsche Bank AG and managed funds by PIMCO. Issuer in the transaction is PPC Zeus DAC and administrator (Servicer) in the transaction is PPC S.A., while Qualco S.A. acts as a Sub-Servicer.
This Program is covered by a portfolio of receivables from active or inactive low voltage customer contracts, with one or more receivables more than 90 days past due.
On July 27, 2023, PPC agreed to the amendment of the terms of the securitization of Receivables in arrears of more than 90 days from the electricity sale subject to the fulfillment of certain conditions, namely: i) the extension of the revolving period from July 2023 until July 2024 (with the possibility of extending it for an additional 12 months), ii) the extension of the expiry date until July 2028 or until July 2029, in case the revolving period is extended for an additional 12 months , ii) the modification of the initial interest rate for senior notes from 6.8% to EURIBOR + 4.5% margin.

17. SEGMENT INFORMATION

There are no differences in the definition or the base of calculation of the profit or loss for each segment in comparison with the annual consolidated financial statements for the year ended December 31, 2022.

There are no changes in the definition of segments or the analysis per segment in comparison with the annual consolidated financial statements for the year ended December 31st, 2022.

Below is an analysis of the Parent Company's sales to third parties and internal sales as well as the Results (profits / (losses) before taxes) of the four activities, namely Mines, Generation, Supply of Electricity and Supply of Natural Gas as well as Other Activities. Other activities include E-Mobility, Telecommunications and Other Services.

The analysis is prepared separately for the Interconnected System, Crete and the other Non-Interconnected Islands. Furthermore, the sales and Results (profits / (losses) before taxes) concerning PPC's subsidiaries are depicted separately. The Group's activities, which do not meet the criteria and quantitative limits of IFRS 8 to be an operating segment, are combined and presented under the description "Other Group's Companies".

Sales and inter segment results are as follows:

SUMMARY FINANCIAL RESULTS OF THE GROUP

JUNE 2023

AMOUNTS IN THOUSANDS OF EURO

	Sales		Profit /(Loss) Before Tax	
	01.01.2023 – 30.06.2023	**01.01.2022 – 30.06.2022**	**01.01.2023 – 30.06.2023**	**01.01.2022 – 30.06.2022**
Company	3,348,662	4,203,257	310,320	783,259
HEDNO S.A.	1,192,333	1,074,636	17,586	22,566
Groups' Other Companies	62,637	218,365	1,344	80,876
Eliminations (Group)	(1,021,638)	(1,103,972)	(49,665)	(884,826)
Grand total (Group)	**3,581,994**	**4,392,286**	**279,585**	**1,875**

SUMMARY FINANCIAL RESULTS OF THE PARENT COMPANY

JUNE 2023

AMOUNTS IN THOUSANDS OF EURO

	Sales to Third Parties		Internal Sales		Profit /(Loss) Before Tax	
	01.01.2023 - 30.06.2023	01.01.2022 - 30.06.2022	01.01.2023 – 30.06.2023	01.01.2022 - 30.06.2022	01.01.2023 – 30.06.2023	01.01.2022 - 30.06.2022
Interconnected system						
-Mines	535	8,767	79,121	97,661	39,587	(25,024)
-Generation	1,046,676	1,951,093	-	-	(144,572)	1,056,603
-Supply	3,124,848	3,930,463	60,022	75,468	517,323	(267,244)
-Natural Gas (Supply)	16,481	4,645	-	-	4,519	(2,689)
-Other	295	80	-	-	(9,504)	(1,558)
	4,188,835	**5,895,048**	**139,143**	**173,129**	**407,353**	**760,088**
Crete Network						
-Generation	218,456	266,526	-	-	(315)	73,920
-Supply	198,135	304,792	1,510	1,258	(98,727)	(143,711)
	416,591	**571,318**	**1,510**	**1,258**	**(99,042)**	**(69,791)**
Non-Interconnected Islands System						
-Generation	288,943	257,521	-	-	4,783	94,466
-Supply	205.781	230,861	1,304	881	(8,273)	2,606
	494,724	**488,382**	**1,304**	**881**	**(3,490)**	**97,072**
Eliminations	(1,751,488)	(2,751,491)	(141,957)	(175,268)	5,499	(4,110)
Total Company	**3,348,662**	**4,203,257**	**-**	**-**	**310,320**	**783,259**

V.REPORT ON THE USE OF PROCEEDS

Report on the Use of the Funds raised from the Share Capital Increase for the period 16.11.2021 – 30.06.2023

Pursuant to the provisions of par.4.1.2 of the Athens Stock Exchange Regulation, the 25/17.7.2008 and the 6.12.2017 decisions of the BOD of the Athens Stock Exchange and the Decision 8/754/14.4.2016 of the Capital Market Commission's BOD, it is disclosed that from the share capital increase of "Public Power Corporation S.A." (the Company) by payment in cash, according to the 19.10.2021 decision of the Extraordinary Shareholders Meeting and with the decision no. 1/934/01.11.2021 of the Board of Directors of the Hellenic Capital Markets Commission regarding the approval of the content of the Prospectus, the total amount of €1,350,000,000 was raised. Issuance costs amounted to €65,926 thousand and decreased the total funds raised. From the Share Capital Increase 150,000,000 new common registered shares were issued with a subscription price of €9.00 each and of a nominal value of €2.48 each, which were listed for trading in the main market of the Athens Stock Exchange on 16.11.2021. The Board of Directors held a meeting on 11.11.2021 and certified the timely and full receipt of the funds raised from the Share Capital Increase.

As of June 30, 2023, the funds raised were allocated according to the use of proceeds as descripted in the Prospectus as follows:

	TABLE OF ALLOCATION OF FUNDS RAISED FROM THE SHARE CAPITAL INCREASE (Amounts in '000€)						
A/A	**Allocation of Raised funds Based on the Purposes of the Prospectus (Section 16.2. Reasons for the Share Capital Increase and use of proceeds of the Prospectus)**	**Raised Funds according to the Prospectus**	**Allocated funds for the period 16.11.2021 and up to 31.12.2021**	**Allocated funds for the period 01.01.2022 and up to 31.12.2022**	**Allocated funds for the period 01.01.2023 and up to 30.06.2023**	**Total allocated funds for the period 16.11.2021 up to 30.06.2023**	**Unallocated funds as of 30.06.2023**
1	Allocation of up to €1,284,000 of approximately €3,200,000 that the Company has budgeted for capital expenditures on renewable energy projects through 2024, including hydroelectric power generation and projects in adjacent markets, aiming to reach an installed RES capacity of 7.2 GW by 2024.	-	-	85,356	63,054	148,410	-
2	Allocation of up to €1,284,000 of approximately €1,700,000 the Company has budgeted for capital expenditures through 2024 on conventional power generation, supply business unit, the construction of a waste-to-energy plant, digitalization, telecommunications, electric vehicle charge-points.	-	-	158,467	48,786	207,253	-
3	Allocation for other general corporate and other investment purposes of amounts that are not material for the Group's financial conditions and to the extent reasonably necessary.	-	-	-	-	-	-
	Total	**1,284,074**	**-**	**243,823**	**111,840**	**355,663**	**928,411**
	Plus: Issuance costs	65,926	65,926	-	-	65,926	-
	Grand Total	**1,350,000**	**65,926**	**243,823**	**111,840**	**421,589**	**928,411**

According to the provisions of the decision no. 25 of the Management Committee of the Athens Exchange, the funds used by the Company during the period 16.11.2022 – 30.06.2023 per investment category with Serial Number: 1-3 as depicted in the above table, correspond to cash outflows and not expense accounting entries.

Regarding the investment No 1 of the table, it is noted that the Company increased the share capital of its 100% subsidiary "PPC RENEWABLES S.M.S.A." in the amount of €300,000 within 2022. The expenses of the share capital increase amounted to €1,800. "PPC RENEWABLES S.M.S.A." manages the portfolio of Renewable Energy Sources of the PPC Group (excluding the large hydroelectric power plants). Furthermore, within 2022 the Group acquired 55% of the shares of "Volterra K-R S.A." and "Volterra LYKOVOUNI S.A.", in which it was already a 45% shareholder in each company since 2019. "Volterra K-R S.A." and "Volterra LYKOVOUNI S.A." have in operation wind farms with a total capacity of 69.7 MW in Aitoloakarnania and Boeotia. Also, the Group acquired 100% of "HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS ", which owns a 2.7 MW photovoltaic park in operation in Viotia, as well as the companies "Volterra DOUKAS S.A." and "Volterra KOUKOULI S.A.", the which are in possession of permits to install wind farms with a total capacity of 39.5 MW. The total price paid for the acquisition of the above five companies amounted to €59,670. Within the first half of 2023, the Group acquired 100% of the shares of AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA which owns two Wind Farms, with a total installed capacity of 43.8MW in the locations "LEFKES" and "BELECHERI" of the Municipality of Evrotas Lakonia, Region of Peloponnese and 100% of KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A., which has a license to operate a 1.99 MWp Photovoltaic Power Station at the "Vlachopigado" location of the Municipality of Estaiotida, P.E. Trikala. Finally, for the period in question, the Group made investments for renewable energy projects (Wind and Hydroelectric Parks) amounting to €28,880.

Regarding the investment No 2 of the table, it is noted that the Company made investments related to: a) the lignite production of electricity ("H/E") (mainly the new Ptolemaida V Unit) amounting to €125,102 b) the conventional electricity generation in the Non-Interconnected Islands amounting to €30,856, c) improvements to existing electricity generation units with natural gas amounting to €17,086, d) commercial activity and electrification amounting to €14,074, e) digitalization amounting to 1,695, g) telecommunications in the amount of €7,097 and h) other improvements in building infrastructure in the amount of €1,138. Also, PPC proceeded within 2022 in acquisitions of subsidiaries by paying the amount of € 3,736, specifically of "Alexandropolis Power Generation Monoprosopi S.A." and "NVISIONIST S.A". The new subsidiary ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A. is proceeding with the construction and operation of a new natural gas-fired power plant, with a nominal capacity of 840 MW, in Alexandroupoli, while NVISIONIST S.A. specializes in software systems serving RES companies. Finally, within 2023, PPC paid € 6,468 for the establishment of the new related company "Hellenic Hydrogen S.A." and acquired 49% of it. The new company will aim to develop green Hydrogen production and storage projects in the country, thus facilitating Greece's energy transition to a Net Zero CO_2 emissions environment.

It is clarified that the temporarily unused funds are kept at bank accounts in the name of the Company and its subsidiary companies.

Athens, August 3, 2023

CHAIRMAN AND CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN	CHIEF FINANCIAL OFFICER	ACCOUNTING DEPARTMENT DIRECTOR
GEORGIOS I. STASSIS	PYRROS D. PAPADIMITRIOU	KONSTANTINOS A. ALEXANDRIDIS	STERGIOS A. TSIFOTOUDIS