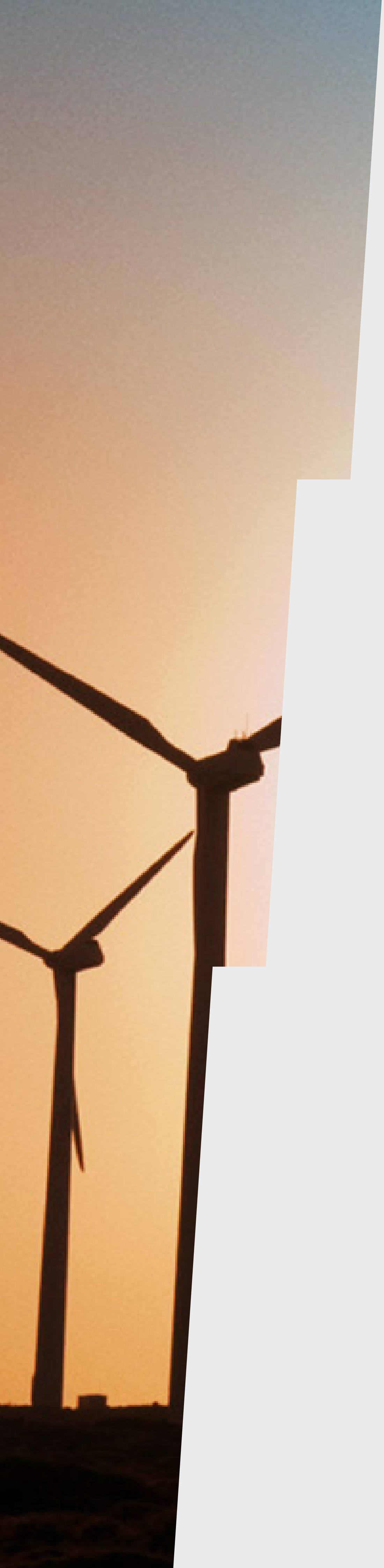
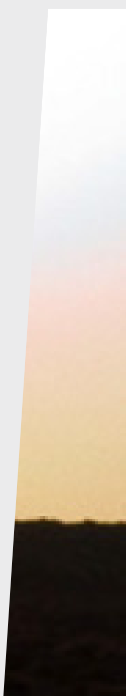


ANNUAL REPORT 2020



70

1950 – 2020: 70 years PPC.
History always has a lot to say.
But the future has even more.

This year's financial report is dedicated to the 70 years of operation that PPC completed in 2020. 70 years of offer, development, progress.
Electricity reached every single corner of the Greek land: from the smallest, most distant islands to the most remote settlements of mountainous Greece.
With the power of its people and responding to the great challenges of energy transformation taking place globally, PPC continues its work, always with a sense of social responsibility, offering to local communities, respect for its customers and the environment. PPC was and remains the national protagonist in the energy sector.
2020 also was the year PPC changed its brand identity. Today, it has already applied a specific plan to reorganize and modernize the company, for it to play a leading role in the current energy challenges, for the benefit of both its shareholders and consumers, with new products and innovative services.
The new, modern, powerful PPC, as it did in the past with consistency and social character, will continue to play a key role in the country's energy landscape, always pioneering and paving the way to the future.

CONTENTS

PART A

ANNUAL FINANCIAL REPORT

View of the Athens-Piraeus Electric Company (IEAP) offices at Piraeus.

1

Selected Financial Data

1 / Selected Financial Data

Summary financials (€ mil.)

	GROUP			PARENT COMPANY		
	2020	2019	Δ%	2020	2019	Δ%
Total Revenues	4,649.3	4,931.6	(5.7%)	4,395.8	4,736.3	(7.2%)
EBITDA recurring	885.8*	333.6*	165.5%	903.3**	376.4**	140.0%
EBITDA margin recurring	19.1%	6.8%		20.5%	7.9%	
EBITDA	820.5	798.9	2.7%	852.6	642.0	32.8%
EBITDA margin	17.6%	16.2%		19.4%	13.6%	
Profit/(Loss) Before Taxes and Fin. Expenses (EBIT)	201.8	(1,961.7)		179.5	(2,226.4)	
EBIT margin	4.3%	(39.8%)		4.1%	(47.0%)	
Net Income / (loss)	35.2	(1,685.7)		43.0	(1,963.1)	
EPS/(loss) (in €)	0.15	(7.27)		0.19	(8.46)	
Number of shares (mil.)	232	232		232	232	

*** For the Group:**
2020: EBITDA adjusted for the provision for personnel's severance payment (€35.8m, negative impact), the charge of electricity suppliers (€72.9m, negative impact) and RES & COGEN generators (€1.4m, negative impact) for the Special RES Account and an extraordinary item for the credit invoice for 2012-2019 gas procurement cost (€44.8m, positive impact).
2019: EBITDA adjusted for the provision for personnel's post-retirement benefits (€243.4m, positive impact), the rebate from the surplus of the Special RES Account (€99.3m, positive impact) and from PSOs for previous years (€122.6m, positive impact).

**** For the Parent Company:**
2020: EBITDA adjusted for the provision for personnel's severance payment (€22.6m, negative impact), the charge of electricity suppliers (€72.9m, negative impact) for the Special RES Account and an extraordinary item for the credit invoice for 2012-2019 gas procurement cost (€44.8 m, positive impact).
2019: EBITDA adjusted for the provision for personnel's post-retirement benefits (€148.1m, positive impact), the rebate from the surplus of the Special RES Account (€99.3m, positive impact), from PSOs for previous years (€122.6m, positive impact) and the provision for the reduction of receivables of the Parent Company from lignite subsidiaries (€104.4m, negative impact).

Summary Balance Sheet and Capex (€ mil.)

	GROUP			PARENT COMPANY		
	2020	2019	Δ%	2020	2019	Δ%
Total Assets	13,685.6	13,572.5	0.8%	13,322.0	12,767.6	4.3%
Net Debt	3,283.6	3,687.0	(10.9%)	3,369.8	3,706.4	(9.1%)
Total Equity	3,085.2	3,040.6	1.5%	2,728.8	2,685.8	1.6%
Capital Expenditure	376.5	646.6	(41.8%)	345.0	608.1	(43.3%)

Women keypunchers
operating billing machines.

2

Company Information

2 / Company Information

2.1. OVERVIEW OF COMPANY'S ACTIVITIES

PPC is Greece's largest electricity generator and the principal supplier of electricity in Greece.

PPC's total capacity is 11 GW and accounts for approximately 51% of the installed capacity of power stations in Greece. PPC is the owner of the Distribution Network with a Regulated Asset Base of c. €3 bn (Medium and Low voltage of approximately 242,000 km and High Voltage of approximately 1,000 km), which is operated by its subsidiary the Hellenic Distribution Network Operator S.A. (HEDNO S.A.). Its power portfolio consists of lignite, gas and oil fired, as well as hydroelectric power plants, but also Renewable Energy Sources (RES) installations.

Specifically, in the RES sector, PPC is the first company in Greece to install RES (in 1982) and is active through its subsidiary company "PPC Renewables S.A." (PPCR), with a portfolio of wind farms, small scale hydroelectric plants and photovoltaics.

The Hellenic Electricity Transmission System, often referred to as the "Interconnected System", spreads over the mainland of Greece. The Ionian islands, along with certain Aegean islands, are also included in the Interconnected System, to which they are connected through submarine cables.

All remaining islands, which are referred to as the "Non-Interconnected Islands", are served by autonomous oil- fired power plants. In most of the islands, demand is also covered by RES. The largest power plants in the Non- Interconnected Islands are located in Crete and Rhodes (with total capacity of thermal plants exceeding 1,150 MW).

In 2020, PPC's generation of 21.3 TWh coupled with the 1.8 TWh that it imported, covered 40.7% of total demand. PPC's energy mix comprised of generation from lignite (26.8%), oil (18%), natural gas (40.2%), hydroelectric (13.6%) and renewable energy sources (1.4%).

The nearly 6 mil. customers of PPC, consumed 68.7% of the total electricity supplied to end-customers in Greece in 2020.

PPC remains by far the largest private investor in the country with total investments close to €3 billion during the last five years, which contribute to the renewal of its generation potential and are expected to improve significantly the financial results of the company in the coming years.

The following table shows selected PPC's operating data for the years 2018, 2019 and 2020:

YEAR ENDED 31st DECEMBER	2020	2019	2018
Installed Capacity (GW)	11.0	11.6	12.2
Percentage of total installed capacity in Greece	51.4%	55.1%	58.8%
Net Annual Generation (TWh)[1]	21.3	25.8	31.2
Generation Market Share[2] (aver,age annual)	46.3%	53.7%	61.2%
Electricity sold to end customers on an annual basis (TWh)[3]	32.9	38.4	40.8
Supply Market Share[4] (average annual)	68.7%	75.8%	81.8%
Customers (in mil)	6.0	6.6	6.9
Number of employees on Payroll	13,832	15,109	16,747

1. Net electricity generation equals gross generation of electricity less energy consumed internally in the generating process.
2. Generation market share is defined as the percentage of the electricity generated by PPC over the total electricity generated in Greece each year.
3. Including domestic sales and exports.
4. Supply market share is defined as the percentage of the electricity supplied by PPC to end-customers in Greece over the total electricity supplied to end-customers in Greece each year.

2.2. COMPANY'S STRATEGY

PPC is changing in the direction of the energy transformation that is taking place worldwide in the industry, in order to play again a leading role in the Greek market and in Southeast Europe. PPC is entering a new phase during which it plans to transform itself into a modern, strongly outward-looking and efficient European utility.

The three pillars through which PPC's business plan for the coming years will be implemented are the following:

- Implementation of the «Green deal» in electricity generation by accelerating the decommissioning of lignite power plants and the corresponding mines and highlighting RES as the new dominant energy production technology. The detailed decommissioning plan includes the removal of polluting lignite plants with a capacity of about 3.4 GW by 2023. The decommissioning plan will be implemented with full respect for PPC employees, local communities and the environment. The plan for the new PPC includes significant investments in RES, aiming at an additional installed capacity of more than 1.5 GW by 2023, which will come from organic growth and many partnerships as well.
- Digitization and operational efficiency to achieve cost reduction synergies and revenue growth by applying new technologies in all PPC'S sector. The company's digital transformation plan includes network upgrades, with tools such as smart meters, automated switches, GIS systems and more.
- Expansion to new activities and value-added products with a customer-oriented approach both in the retail electricity market and in new business sectors, such as e-mobility. The transformation of the Commercial department includes new combined products and flexible packages, as well as high-level energy services, following the example of modern electricity suppliers worldwide. Regarding e-mobility, the plan envisages the installation of 1,000 charging stations throughout Greece within the next 2-3 years and 10,000 charging stations in the medium term.

In implementing this strategy, a large part of the goals has already been achieved by:
- significant increase in operating profitability which is in line with the business plan
- rationalization of tariffs so that costs are reflected, and
- implementation of a new enhanced credit and collection policy

An important aspect for the successful transformation of the company is the adoption of the ESG criteria as a basic principle in this new era of the Group's history.

As a result, PPC returned to the International Capital Markets in March 2021 after seven years, achieving the issuance of the first High-Yield bond in Europe with a sustainability clause, which is fully aligned with the strategic plan, thus expanding the investment base that monitors and invests in the company.

In the regulatory part, measures that in the past created distortions in the electricity market have been abolished, while the introduction of the new Target Model of the European Union and the new regulatory framework for the Distribution Network are fully harmonized with other European countries and converge with the Groups strategic plan.

2.3. HISTORICAL BACKGROUND

PPC was established in 1950 having as purpose to generate, transmit and distribute electricity throughout the Greek territory. Prior to the establishment of PPC, the right to generate, transmit and distribute electricity had been assigned by the Greek Government to private and municipal electricity companies.

PPC started its operation in 1953 by generating and selling electricity to the abovementioned private and municipal electricity companies. During the period 1957-1963, the Company acquired the above electricity companies, including the Electric Company of Athens - Piraeus Ltd, which used to service the largest urban area of Greece and was generating a significant percentage of the total electricity consumed in the Greek market.

The L.s 1559/1985 and 2244/1994, provided for a relevant exception from PPC's exclusive right in electricity generation mainly in order to give the right to industrial companies to generate electricity for their own consumption. Moreover, said legislation allowed individuals to generate electricity from renewable sources and cogeneration exclusively for commercial use.

By virtue of L. 2773/1999 concerning the liberalization of the electricity market and pursuant to the Presidential Decree 333/2000, PPC, as of 01.01.2001, was converted into a societe anonyme wholly owned by the Greek State having as main purpose the generation and supply of electricity.

In December 2001, following an increase of share capital and an offering of existing shares held by the Hellenic Republic, PPC's shares were listed on the Athens Stock Exchange.

The Hellenic Republic further reduced its stake in PPC through secondary offerings in December 2002 and October 2003.

In April 2014, the Greek Biministerial committee for restructurings and privatizations decided the transfer, without consideration, of 39,440,000 ordinary shares with voting rights corresponding to 17% of the existing share capital of PPC S.A, by the Hellenic Republic to the Hellenic Republic Asset Development Fund S.A. (HRADF), pursuant to the provisions of L. 3986/2011. In March 2018, a transfer of 79,165,114 PPC shares (namely 34.123%) by the Hellenic Republic to the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.), in which the Hellenic Republic holds 100% of its shares and voting rights, was completed by L. and without consideration, according to para. 20, article 380 of L. 4512/2018, as amended para. 1 of article 197 of L. 4389/2016. Given that HRADF is a subsidiary of HCAP, the total percentage of the Hellenic Republic in PPC's share capital, remains indirectly at 51.123%.

After the spin-off of the Transmission and the Distribution segments, two 100% subsidiaries of PPC were created, namely IPTO S.A. (Independent Power Transmission Operator S.A.) and HEDNO S.A. (Hellenic Electricity Distribution Network Operator S.A.). IPTO S.A. is responsible for the management, operation, maintenance and development of the Hellenic Electricity Transmission System and its interconnections. On June 20th 2017, the full ownership unbundling of IPTO SA was completed as provided for in articles 142 et seq. of L. 4389/2016.

HEDNO S.A. is responsible for the management, operation, development and maintenance of the Hellenic Electricity Distribution Network, which is owned by PPC S.A.

Pursuant to L. 4533/2018, on 30.06.2018 the Parent Company completed the spin-off of the two branches of lignite power generation Melitis and Megalopolis and their contribution to two new 100% subsidiary companies under the trade names «LIGNITIKI MELITIS S.A.» and «LIGNITIKI MEGALOPOLIS S.A.», respectively.

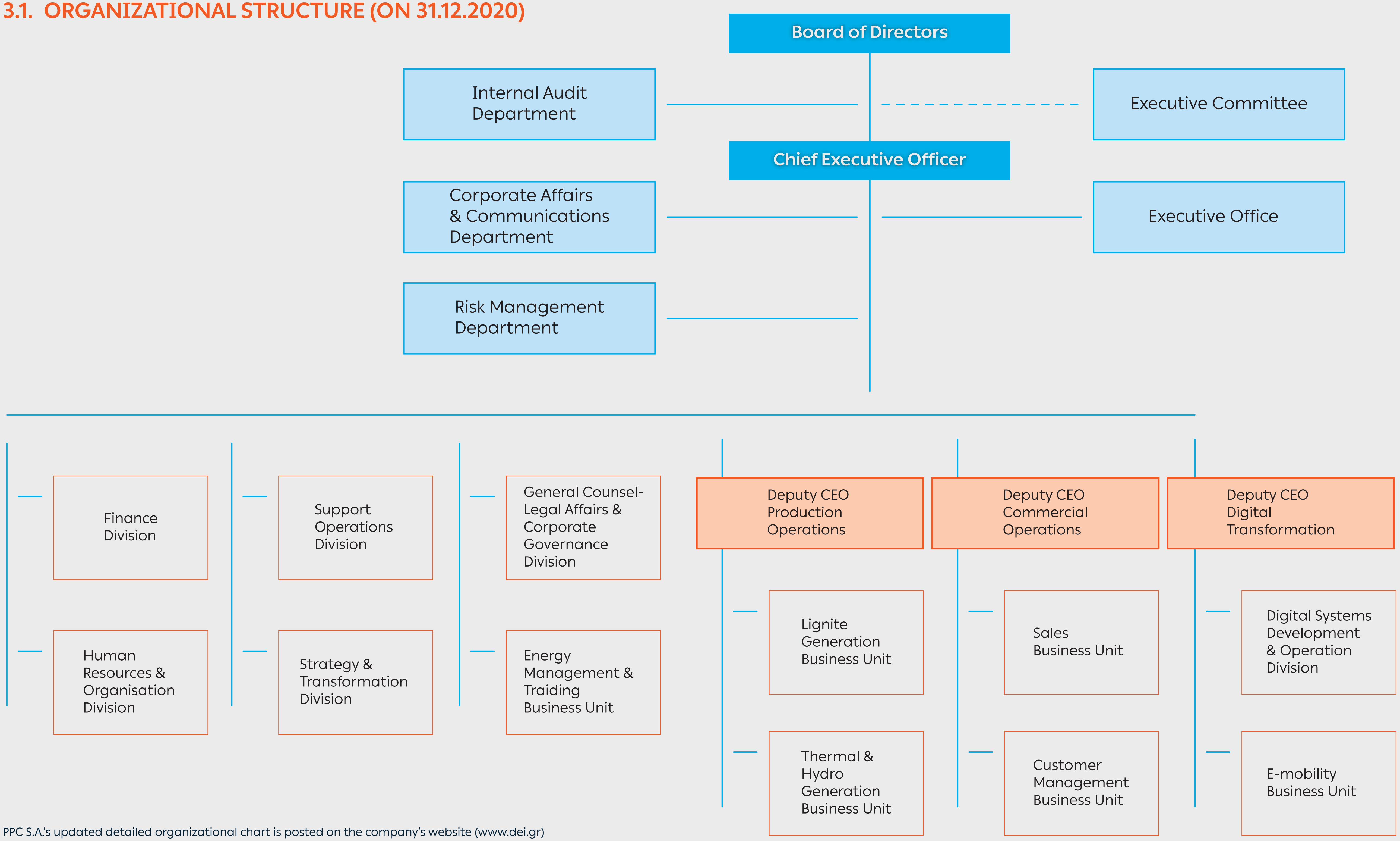
Line crews and meter readers of the IEAP operation service.

3

Organizational structure, Management - Corporate Governance, Employees

3 / Organizational structure, Management - Corporate Governance, Employees

3.1. ORGANIZATIONAL STRUCTURE (ON 31.12.2020)



PPC S.A.'s updated detailed organizational chart is posted on the company's website (www.dei.gr)

3.2. MANAGEMENT - CORPORATE GOVERNANCE

Corporate Governance is a system of management and control of the societes anonymes. It is a set of structures, principles, rules, procedures and practices based on which the continuous improvement of the Company's efficient operation for the sake of its shareholders and all parties having legitimate interest in its operation, the enhancement of the long-term value of the Company and in general the safeguarding of corporate interests are pursued.

The implementation and the observance of the best practices of corporate governance constitutes an essential commitment and priority of Public Power Corporation S.A. due to its important role in the Greek economy and the public interest services it provides.

An indication of the importance that PPC attaches to the corporate governance is the newly-established Legal Affairs & Corporate Governance Division (LACG/Di) which is tasked with the introduction of new and the review of the existing practices of corporate governance in order to ensure the alignment of the Company and the entire Group with best international practices, taking into consideration that the majority shareholder of the Company is the Hellenic Republic.

PPC has drawn up by virtue of article 152 par. 1 item (a) sub-item (bb) of L. 4548/2018 and implements its own Code of Corporate Governance, which is posted on the Company's website (www.dei.gr). The Company is currently in the process of seeking expert advice, with the assistance of a specialized consulting firm, in order to adopt and implement within 2021 a Code of Corporate Governance which will have been drafted by a body of recognized standing, as set forth in the new law 4706/2020 on Corporate Governance, the provisions of which with regard to corporate governance of listed societes anonymes shall take effect on 17.07.2021.

The Board of Directors on 31.12.2020 consisted of:

Name	Position
Stassis Georgios	Chairman of the BoD-CEO - Executive Member
Papadimitriou Pyrros	Vice Chairman of the BoD - Non Executive Member
Karakousis Georgios	Deputy Chief Executive Officer - Executive Member
Paterakis Alexandros	Deputy Chief Executive Officer - Executive Member
Members	
Venieris Georgios	Independent - Non Executive Member
Doxaki Despoina	Independent - Non Executive Member
Theodoridis Stefanos	Independent - Non Executive Member
Kardamakis Stefanos	Independent - Non Executive Member
Panagiotakis Michael	Independent - Non Executive Member
Karaleftheris Pantelis	Non Executive Member - Representative of Employees
Fotopoulos Nikolaos	Non Executive Member - Representative of Employees

PPC S.A.'s updated Board of Directors composition is posted on the company's website (www.dei.gr)

3.3. EMPLOYEES

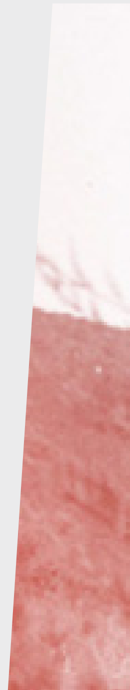
PPC's Group full time employees on the 31st of December of the years 2020 and 2019, are presented by company and activity on the following table:

	2020	2019
PPC S.A.		
Mines	1,760	2,189
Generation	3,043	3,375
Supply	911	965
Administration	1,390	1,569
TOTAL on December 31st	**7,104**	**8,098**
HEDNO S.A.	5,820	5,997
PPC RENEWABLES S.A.	51	58
LIGNITIKI MELITIS S.A.	189	194
LIGNITIKI MEGALOPOLIS S.A.	668	762
TOTAL on December 31st (GROUP)	**13,832**	**15,109**

Electrification of Pyrsogianni
on mount Grammos.

4

Share Capital - Dividend



4 / Share Capital - Dividend

4.1. SHARE CAPITAL

Until 16.01.2017 the Company's share capital amounted to €1,067,200,000 divided into 232,000,000 common registered shares corresponding to 232,000,000 voting rights with a nominal value of €4.60 each.

By resolution of the Shareholders' Extraordinary General Meeting on 17.1.2017, the company's share capital was decreased by €491,840,000 along with a decrease of the nominal value of the share by €2.12 each and distribution in kind rather than in cash of one share of the societe anonyme with company name "HOLDING COMPANY ENERGIAKI S.A." and the distinctive title "ENERGIAKI HOLDING S.A." of a nominal value of €2.12 for each share held in the company.

Following the aforementioned decrease, the share capital of the company currently amounts to €575,360,000, divided into 232,000,000 common registered shares of a nominal value of €2.48 each.

The Company's shares are traded in the Main Market of the Athens Stock Exchange (ATHEX).

The company's shares are included in a number of indices such as: ATHEX GD, DOM, FTSE, FTSEA, SAGD, DKO, HELMSI.

4.2. SHAREHOLDING STRUCTURE

The Company's shareholding structure as of the 31.12.2020 was as follows:

Shareholders	Percentage
Hellenic Corporation of Assets and Participations S.A. (HCAP) [1]	34.12%
Hellenic Republic Asset Development Fund S.A. (HRADF) (1) [1]	17.00%
Electronic National Social Security Fund (e-EFKA) and TAYTEKO/TEAPAP-PPC [2]	3.93%
Institutional Investors & general public [3]	44.95%
ΣΥΝΟΛΟ	**100%**

1. On April 8, 2014, the Greek ministerial committee for restructurings and privatizations decided the transfer, without consideration, of 39,440,000 ordinary shares with voting rights corresponding to 17% of the existing share capital of PPC S.A, by the Hellenic Republic to the Hellenic Republic Asset Development Fund (HRADF), pursuant to the provisions of Law 3986/2011. On 09.04.2014, the transfer of said shares by the Hellenic Republic to the HRADF was effected, following execution of an over-the-counter transaction.
   A transfer of 79,165,114 PPC shares (namely 34.123%) by the Greek State to the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) was completed on 20.03.2018, by law and without consideration, according to para. 20, article 380 of L. 4512/2018, as amended para. 1 of article 197 of L. 4389/2016. Consequently, HCAP participates directly with 34.123% in PPC's share capital and indirectly with 17% through the HRADF, which is a subsidiary of HCAP. The total voting rights of HCAP amount to 51.123%.
   The Greek State owns 100% of voting rights in HCAP S.A.
   Based on the above, the total percentage of the Hellenic Republic remains indirectly at 51.123%.
2. On 06.03.2018 the transfer of shares of the integrated insurance agencies to the Electronic National Social Security Fund (e-EFKA) was completed.
3. Including the total holdings of the company Helikon Investments Limited as of 08.10.2020 amounting to 11,634,068 shares or 5.01% of PPC's voting rights, in its capacity as investment manager for its following client Helikon Long Short Equity Fund Master ICAV, following a relevant notification, received on 12.10.2020, by Helikon Investments Limited.

On 31.12.2020, the Company was not aware of any shareholders, other than the HCAP, HRADF, Helikon Investments Limited, which held directly an amount greater than or equal to 5% of its share capital.

On 31.12.2020 the Members of the Board held 0.001% of PPC shares in total.

4.3. DIVIDEND

Although the corporate year ended 31.12.2020, is profitable for the Parent Company, the results of the last year fall short of the losses of previous years (losses for the year 2019). Therefore, the Parent Company is not allowed to distribute a dividend for the year ended 31.12.2020.

Customer service store in Athens.

5

Subsidiaries and Associates

5 / Subsidiaries and Associates

The following table presents the participation of PPC S.A. in other companies as of 31.12.2020:

PPC S.A.	Ownership 31.12.2020
HEDNO S.A.	100%
PPC RENEWABLES S.A.	100%
PPC FINANCE PLC	100%
PPC BULGARIA JSCo	85%
PPC ELEKTRIK TEDARIC VE TICARET A.S.	100%
PPC ALBANIA Sh.A.	100%
EDS AD SKOPJE	100%
LIGNITIKI MELITIS S.A.	100%
LIGNITIKI MEGALOPOLIS S.A.	100%
WASTE SYCLO S.A.	49%

PPC RENEWABLES S.A.	Ownership 31.12.2020
ARKADIKOS ILIOS 1 S.A.	100%
ARKADIKOS ILIOS 2 S.A.	100%
ILIAKO VELOS 1 S.A.	100%
AMALTHIA ENERGIAKI S.A.	100%
SOLARLAB S.A.	100%
ILIAKA PARKA DITIKIS MAKEDONIAS 1 S.A.	100%
ILIAKA PARKA DITIKIS MAKEDONIAS 2 S.A.	100%
PHOIBE ENERGIAKI S.A.	100%
GEOTHERMIKOS STOCHOS SOLE SHAREHOLDER COMPANY S.A.	100%
GEOTHERMIKOS STOCHOS II SOLE SHAREHOLDER COMPANY S.A. *	100%
WINDARROW MOUZAKI ENERGY S.A.	100%
PPC RENEWABLES ROKAS S.A.	49%
PPC RENEWABLES TERNA ENERGIAKI S.A.	49%
PPC RENEWABLES NANKO ENERGY–MYHE GITANI S.A.	49%
PPC RENEWABLES MEK ENERGIAKI S.A.	49%
PPC RENEWABLES ELTEV AIFOROS S.A	49%
PPC RENEWABLES EDF EN GREECE S.A.	49%

PPC RENEWABLES S.A.	Ownership 31.12.2020
EEN VOIOTIA S.A.	46.6%
AIOLIKO PARKO LOYKO S.A.	49%
AIOLIKO PARKO BAMBO VIGLIES S.A.	49%
AIOLIKO PARKO KILIZA S.A.	49%
AIOLIKO PARKO LEFKIVARI S.A.	49%
AIOLIKO PARKO AGIOS ONOUFRIOS S.A.	49%
OROS ENERGIAKI S.A.	49%
GREENESCO ENERGIAKI S.A.	49%
VOLTERRA LYKOVOUNI SOLE SHAREHOLDER COMPANY S.A.	45%
VOLTERRA K-R SOLE SHAREHOLDER COMPANY S.A.	45%

EDS AD SKOPJE	Ownership 31.12.2020
EDS DOO BELGRADE	100%
EDS INTERNATIONAL SK SRO	100%
EDS INTERNATIONAL KS LLC	100%

* On 27.07.2020, the 100% subsidiary "Geothermikos Stochos II Sole Shareholder Company S.A.", was established with a share capital of €25,000.

PART B

ANNUAL FINANCIAL REPORT

Athens bathed in light.

1

Financial Report

(January 1st 2020– December 31st 2020)

1 / Annual Financial Report

1. FINANCIAL REPORT

(January 1st 2020 – December 31st 2020)

The attached Financial Report of the fiscal year 2020, has been prepared **according to article 4 of Law 3556/2007 and the executive Decisions of the Board of the Hellenic Capital Market Commission**, has been approved by the Board of Directors of "Public Power Corporation S.A." on April 20th 2021, and is available for the investors, 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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A / Statement of Members of the Board of Directors

STATEMENT OF MEMBERS OF THE BOARD OF DIRECTORS

(According to article 4, par.2 of Law 3556/2007)

1. Georgios Stassis, Chairman and C.E.O. of P.P.C. S.A.
2. Georgios Venieris, 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 Financial Statements of the Parent Company and the Group, for the year ended December 31st 2020, which were prepared according to the International Accounting 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, according to the provisions of article 4 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, as well as a description of the major risks and uncertainties they face.

Athens April 20th 2021

Chairman and C.E.O.	Member of the Board	Member of the Board
Georgios Stassis	George Venieris	Stefanos Kardamakis

B / Executive Summary of the Board of Directors

PUBLIC POWER CORPORATION S.A.

Executive Summary of the Board of Directors for the Fiscal Year 2020

Dear Shareholders,

Following the end of the Public Power Corporation's nineteenth fiscal year as a Societe Anonyme, we have the honor to submit for approval, according to the Company's statutes, the financial statements for the year ended December 31st 2020, as well as, our comments on the respective statements. Furthermore, we submit for approval the unbundled financial statements for the year 2020 (Appendix I of the Annual Financial Statements) according to the provisions of L. 4001/2011 art. 141 and the approved by the Regulatory Authority of Energy, methodology of accounting unbundling.

The Group's subsidiaries which are consolidated in the Group's financial statements are the following "PPC Renewables S.A.", "Hellenic Distribution Network Operator SA or HEDNO SA" , "Arkadikos Ilios 1 S.A.", "Arkadikos Ilios 2 S.A.", "Iliako Velos Ena S.A.", "Amalthia Energiaki S.A..", "Solarlab S.A.", "Iliaka Parka Ditikis Makedonias 1 S.A.", "Iliaka Parka Ditikis Makedonias 2 S.A.", "PPC FINANCE PLC", "PPC Bulgaria JSCo", "PPC Elektrik Tedarik ve Ticaret Anonim Şirketi", "Phoibe Energiaki Photovoltaika S.A.", "PPC Albania", "Geothermikos Stochos S.A", "Geothermikos Stochos 2 S.A", "Windarrow Mouzaki Energy S.A.", "EDS DOO Skopje", "EDS DOO Belgrade", "EDS International SK SRO", "EDS International KS LLC", "Lignitiki Melitis S.A." and "Lignitiki Megalopolis S.A.".

Based on L. 4548/2018, as applies, PPC S.A. prepared the financial statements for the year ended December 31st 2020 (nineteenth fiscal year), in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union.

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 annual Report of the main Subsidiaries for the year 2020, are available on the internet at the following web site addresses:

HEDNO S.A.	http://www.deddie.gr
PPC RENEWABLES S.A.	http://www.ppcr.gr
Lignitiki Megalopolis S.A.	http://www.lignitiki-megalopolis.gr
Lignitiki Melitis S.A.	http://www.lignitiki-melitis.gr

Amendments in the current legal framework during 2020.

All detailed amendments in the current legal framework are presented in Note 2 to the Financial Statements.

PPC Group FY 2020 financial results.

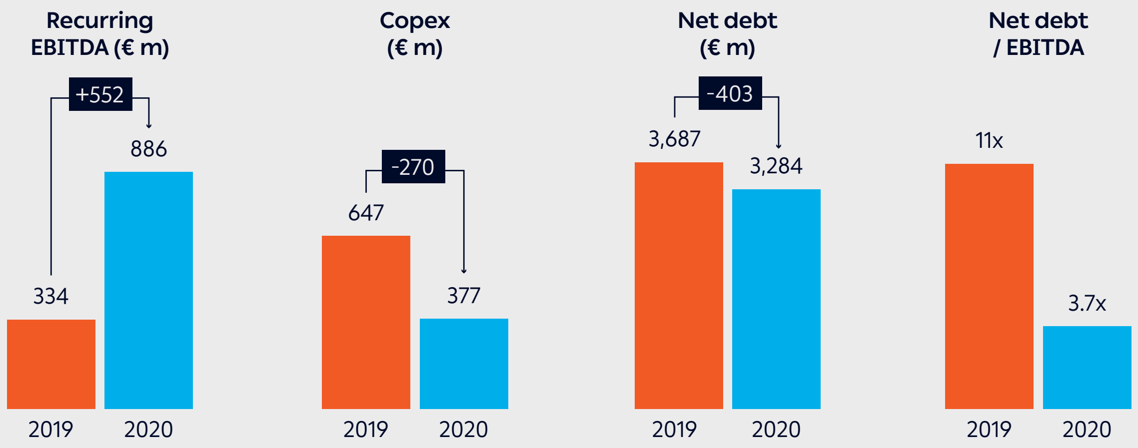
- Recurring EBITDA at €885.8 m in 2020 (from €333.6 m in 2019) - Increase by €552.2 m.
- Pre-tax profits at €67 m.
- Reduction of the lignite production participation below 30% of PPC's energy mix.

Key Group Financial Results.

(in € m)		2020	2019	Δ (%)	Q4 2020	Q4 2019	Δ (%)
Turnover	(1)	4,649.3	4,9316	(5.7)	1,129.2	1,323.5	(14.7)
Operating expenses*	(2)	3,763.5	4,598.0	(18.1)	939.4	1,086.8	(13.6)
EBITDA recurring*	(3)=(1)-(2)	**885.8**	**333.6**	**165.5**	**189.8**	**236.7**	**(19.8)**
EBITDA marging recurring*	(4)=(3)/(1)	**19.1%**	**6.8%**		**16.8%**	**17.9%**	
One-offs: VES/VRS and post retirement benefits	(5)	35.8	(243.4)	(114.7)	3.3	(243.4)	(101.4)
One-offs: Special RES account		74.3	(99.3)		74.3		
One-offs: Credit invoice 2021-2019 gas procurement cost		(44.8)					
One-offs: PSOs for the years 2007-2011 and settlement for 2017			(122.6)			(122.6)	
EBITDA	(6)=(3)-(5)	**820.5**	**798.9**	**2.7**	**112.2**	**602.7**	**(81.4)**
EBITDA margin	(7)=(6)/(1)	**17.6%**	**16.2%**		**9.9%**	**45.5%**	
Depreciation, total net financial expenses and share of profits/(losses) in associated companies	(8)	878.8	758.0	15.9	230.4	209.9	9.8
Devaluation of assets and impairment of the shereholding in lignite subsidiaries	(9)	(125.3)	2,098.8	(106.0)	(138.6)	2,033.9	(103.8)
Pre-tax profits / (Losses)	(10)=(6)-(8)-(9)	**67.0**	**(2,057.9)**		**20.4**	**(1,641.1)**	
Net income / (Loss)	(11)	35.2	(1,685.7)		22.4	(1,332.5)	

* Adjusted for one offs.

Evolution of key figures.



Profitability evolution.

In 2020, recurring EBITDA for the Group amounted to €885.8 m from €333.6 m in 2019 with the corresponding margin increasing to 19.1% from 6.8%.

This significant increase was driven by the improvement of the gross margin as a result of measures taken in September 2019 and the reduction in the natural gas and wholesale market prices, a trend which was further strengthened by Covid-19 impact. The lower volume of CO_2 emissions due to lower lignite fired generation had an additional positive impact. On top of these, significant savings were recorded due to lower payroll cost, while the abolition of NOME auctions, a structural change, had a positive effect too.

EBITDA in 2020 as it was the case in 2019 were also impacted by certain one-off items and amounted to €820.5 m compared to €798.9 m in 2019.

Pre – tax profits amounted to €67 m compared to pre-tax losses of €2,057.9 m in 2019.

It is noted that 2020 pre – tax profits include a positive impact of €125.3 m due to (a) the reversal of the impairment provision of the investment to the new Ptolemaida V Unit by €209.9 million, since its operation using natural gas as a fuel is now scheduled for 2025 instead of 2028 based on the initial lignite phase out plan and (b) additional provisions mainly due to the closure of mines associated with the new plant, earlier than in the original plan. All of the above amounts do not have a cash flow effect.

Covid-19.

During 2020 the management of the Group took extraordinary measures in order to relieve electricity consumers impacted by the pandemic. In parallel, a series of actions are being implemented aiming to inform employees, raise their awareness on the prevention and protection measures, provide them with the appropriate Personal Protective Equipment (PPE), protect both the personnel and their families while at the same time ensuring business continuity.

The management of the Group and the Parent Company continues to monitor the developments regarding Covid-19 and the measures taken by the State on an ongoing basis, reviewing any adverse or positive impact that may arise in its financial position, its operating results, cash flows and the implementation of its business and capex plan, making wherever possible appropriate assessments and adjustments.

ANALYSIS OF REVENUES & OPERATING EXPENSES OF PPC GROUP

Revenues.

Turnover for 2020, decreased by €282.3 m or 5.7% due to lower sales volume by 5,557 GWh or by 14.5% as a result of market share loss (7.1 percentage point) and domestic demand reduction (by 6.7%).
On the other hand, market share loss was partially offset by the positive contribution of the revenues' increase from Distribution network fees and PSOs collected by third party electricity suppliers.

Operating Expenses.

Operating expenses before depreciation decreased in 2020 by €834.5 m (or by 18.1%) to €3,763.5 m compared to €4,598 m in 2019, as a result of lower expenses for fuel, energy purchases and CO_2 emission allowances, the absence of the negative impact from NOME following their abolition, as well as the reduction in payroll cost.

Operating expenses before depreciation do not include the provision for personnel's severance payment and post-retirement benefits, the rebate from the surplus of the RES Account, the one-off charge of electricity suppliers for RES account, the Credit invoice from DEPA for gas procurement cost for previous years as well as the settlement of previous years' PSOs.

Operating figures (generation – imports- exports)
In 2020, domestic electricity demand decreased by 6.7% to 54,752 GWh compared to 58,660 GWh in 2019 as a result of Covid-19. Total electricity demand (including pumping and exports) marked a higher decrease by 8% due to the reduction of Third Party exports (reduction by 1,111 GWh compared to 2019).

PPC's average retail market share in the country, declined to 68.7% in 2020, compared to 75.8% in 2019. Specifically, the average retail market share in the Interconnected System was contained to 66.8% in December 2020 from 71.7% in December 2019, while PPC's average market share, per voltage, was 94.4% in High Voltage, 35.7% in Medium Voltage and 69% in Low Voltage compared to 97.5%, 52.6% and 73.4% in December 2019, respectively.

PPC's electricity generation and imports covered 40.7% of total demand in 2020 (36.9% in the Interconnected System), while the corresponding percentage in 2019 was 45.5% (41.6% in the Interconnected System).

Specifically, lignite fired generation declined by 45.1% or 4,696 GWh due to lower natural gas prices and higher CO_2 prices which render lignite - fired units less competitive.

Generation from PPC's natural gas units increased by 20.3% or 1,447 GWh, since the corresponding generation more than doubled (by 119.4% or 1.466 GWh) in Q4 2020 compared to the respective quarter of 2019.

Hydro generation declined by 13.7% or 462 GWh, as a result of lower inflows in the hydro power plants' reservoirs during 2020 compared to 2019.

At country level, there was an increase in RES production by 19% or 2,420 GWh, which to a large extent outweighed the reduction of electricity imports by 22% or 3,010 GWh.

Energy mix expenditure.
Expenditure for liquid fuel, natural gas, third parties fossil fuel, CO_2 and energy purchases decreased by €875.2 m (28.1%) compared to 2019.

In detail:
- Liquid fuel expense decreased by 31.1% to €462.5 m in 2020 from €670.9 m in 2019 due to lower electricity generation from liquid fuel as well as lower prices for heavy fuel oil and diesel.
- Natural gas expense significantly decreased by 30.9% to €297.9 m from €431.4 m due to the reduction of natural gas price, despite the aforementioned increase of the corresponding generation.
- Energy purchases expense from the System (mainland) and the Network (non-interconnected islands) excluding the NOME impact and the one-off charge of electricity suppliers for RES account, decreased by €373.2 m due to the reduction of the Market Clearing Price-MCP (former SMP) from €63.8/MWh in 2019 to €45.1/MWh in 2020, as well as due to lower energy purchases volume.
- Expenditure for CO_2 emission rights decreased to €393.5 m in 2020 from €546.5 m in 2019 driven by volume reduction from 23.1 m tones to 15.5 m tones which was partially offset by the increase of the CO_2 emission rights average price from €23.7/tn to €25.6/tn.

Payroll cost.
Total payroll cost including capitalized expense decreased by €82.2 m. to €734.8 m in 2020 from €817 m in 2019. This reduction is mainly due to natural attrition (reduction by 1,277 employees, from 15,109 at the end of 2019 to 13,832 at the end of 2020).

One off items impacting EBITDA.

EBITDA in 2020 as it was the case in 2019 were impacted by certain one-off items. Specifically:
- In 2020, EBITDA was positively impacted by the rebate of €44.8 m due to the revision of the natural gas procurement cost of DEPA by BOTAS for the years 2012-2019, following the decision taken by the International Arbitration Court, with respect to the dispute between the two companies. On the other hand, there was a negative impact by the provision for personnel's severance payment of €35.8 m as well as from the one-off charges of a total amount of €74.3 m, as part of the measures taken by the Greek state in order to cover the Special RES account deficit pursuant to Law 4759/2020 (€72.9 m from the charge of €2/MWh on the quantities of PPC's load declarations in the day ahead market and for Non Interconnected Islands for 2020 and €1.4m from the contribution of RES & COGEN generators corresponding to 6% of the electricity sold by power plants which have been put into operation until 31.12.2015).
- Likewise, 2019 EBITDA had been positively impacted by the €243.4 m reduction of the liability for post-retirement benefits, the rebate of €99.3 m from the surplus of the Special RES Account as well as the settlement of PSOs for previous years of a total amount of €122.6 m (collection of €194.7 million for the period 2007-2011 and charge of €72.1 million for 2017).

Including the abovementioned one-off items, EBITDA for 2020 amounted to €820.5 m compared to €798.9 m in 2019.

Capex.

Capital expenditure amounted to €376.5 m. in 2020 compared to €646.6 m. in 2019.

As shown in the table below, most of the reduction is attributed to lower investments in conventional generation projects, as the construction of the new Ptolemais V Unit approaches its completion, as well as to the reduction of Mines capex driven by lower expropriations. At the same time, increased investments were made in repetitive projects in the Distribution network.

The composition of main capex is as follows:

(in € m)	2020	2019	Δ	Δ (%)
Mines	21.9	85.9	(64)	(75)
Conventional Generation	157.6	375.3	(217.7)	(58)
RES projects	18.0	32.0	(14)	(44)
Distribution network	174.8	149.8	25	17

Net Debt.

Net debt stood at €3,283.6 m. on 31.12.2020, a decrease of €403.4 m. compared to 31.12.2019 due to increased cash reserves.

Net Debt evolution is shown below:

(in € m)	31.12.2020	31.12.2019
Gross Debt (1)	4,153.7	4,040.1
Cash and cash equivalents / Restricted cash*/ Other financial assets (2)	870.1	353.1
Net Debt (3) = (1) - (2)	3,283.6	3,687.0

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

Capital Expenditure Program of Business Units.

Total capital expenditure for the Parent Company amounted to €345 mil. and was allocated as follows: €21.9 mil to Mines, €156.9 mil to Generation, €162.1 mil to the Distribution Network, €1 mil. to the Supply Division and €3.1 mil. to activities of the Administrative Divisions. Capital expenditure for the Parent Company for the year 2020 has decreased by €263.1 mil., compared to 2019, representing a decrease of 43%.

Total capital expenditure for the Group for 2020 amounted to €378.6 mil. and includes besides Parent Company' capital expenditure, also those of PPC RENEWABLES S.A. amounting to €21.8 mil., of HEDNO S.A. amounting to €11.1 mil and of the two Lignite subsidiaries amounting to €0.7 mil. Capital expenditure for the Group for the year 2020 decreased by €268 mil., compared to 2019, representing a decrease of 41%.

Mines Business Unit.
Capital expenditure of the Mines Business Unit for 2020 amounted to approximately €21.9 mil. and is related to projects in Western Macedonia Lignite Center (WMLC).

A breakdown of the capital amount was spent during 2020 is presented below:
1. €3.1 mil. were spent on land expropriations of which €1.7 mil. on land acquisition in the region of Pontokomi village and €1.4 mil. on others land expropriations (ODPK1, OPK1, ONP10) and on archaeological excavations.
2. €9.7 mil. were spent on hard formation extraction earthworks in South Field Mine.
3. €6.7 mil. were spent on electromechanical works of which €2.1 mil. on belt conveyor's extension, 0.7 mil. on E3 bucket wheel excavator upgrade in South Field Mine, 1.4 mil. on mechanical equipment purchase in South Field Mine and approximately €2.5 mil. on equipment upgrades and reconstructions.
4. €1.3mil. were spent on civil engineering works and other technical projects (berm floor construction, road asphalting).
5. €0.8 mil. were spent on environmental projects and liabilities to third parties (national road and railway relocation, waste management projects, fences construction etc).
6. €0.3 mil. were spent on the purchase of auxiliary equipment.

Total excavations in the Mines of Western Macedonia amounted to 80.5 mil. cubic meters and lignite production to 10.3 mil. tones.

Generation Business Units.

Exploitation:
- During 2020 the total net production of the General Division of Lignite Generation (GDLG) and General Division of Thermo- and Hydro-electrical Generation (GDTHG) power stations (excluding the subsidiary companies Lignitiki Megalopolis S.A., Lignitiki Melitis S.A. and PPC Renewables S.A.) amounted to 19.28 TWh, decreased by 12.6% compared to 2019 (22.05 TWh). PPC's share of production dropped from 46% in 2019 to 44% in 2020.
- Compared to 2019, the most notable change is the significant reduction of lignite generation. The lignite based generation (excluding the subsidiaries') was reduced by 42.61%, since it reached 4.0 TWh, which is 2.97 TWh less than in 2019. The main causes for this reduction was: the decommissioning of the lignite based Units I and II of the Amyntaio-Filota Power Plant since 01.09.2020 and the limited operation of Units III and IV of Kardia under special regulatory conditions in view of their planned decommissioning. The lignite Units' availability factor was 65.32% in 2020, which is a reduction of 2.1 p.c. units compared to 2019. Generation dercrease is reflected to the reduced load factor of lignite fired units, which reached 18.60% as opposed to 29.36% in 2019, and a decrease of the utilization factor from 43.56% in 2019 to 28.47% in 2020.
- Compared to 2019, the hydroelectric generation has decreased by 0.48 TWh or 14.29%, reaching 2.88 TWh in 2020.
- Natural gas based generation in 2020 reached 8.57 TWh, 1.44 TWh more than in 2019, which is a 20.2 % increase. The Units' load factor reached 37.12% in 2020, an increase of 6.17 p.c. units compared to 2019. The availability factor in 2020 was 88.57%, an increase of 5.11 p.c. units compared to 83.46% in 2019. The availability factor increased in 2020 by 4.82 p.c. reaching 41.90% in 2020 from 37.08% in 2019.
- In view of the increased load demand placed on Crete's system during the summer of 2020, extra 58 MW of non-permanent capacity were used. Furthermore, extra 5 MW of non-permanent capacity was used during the same period for supporting the needs of the rest of the Non-Interconnected Islands (NII).
- Electricity generation of Lignitiki Megalopolis S.A.'s in 2020 was 0.97 TWh, which is a reduction of 1.4 TWh to 2019's generation. Load, availability and utilization factors were 22.21%, 81.03% and 27.41%, respectively, whereas the corresponding 2019 values were 54.78%, 67.73% and 80.88%. Lignitiki Melitis S.A.' generation reached 0.73 TWh in 2020 and was 0.35 TWh less than the 2019 annual generation, which was 1.08 TWh. The load factor was reduced to 29.28%, which is 14.26 p.c. units less than the 43.54% of 2019. The power plant's availability decreased to 63.65% in 2020 from 68.90% in 2019. Its utilization factor was also reduced to 46.01% in 2020 from 63.20% in 2019.

Investments:
Total Investments of the General Division of Lignite Generation and the General Division of Thermo- and Hydro-electrical Generation during 2020 amounted to €156.9 mil. (exluding the Mines business Unit refered above).

In the context of PPC S.A.'s Strategic Priorities Plan, the GDTHG and the GDLG have undertaken the implementation of Investment Projects in order to replace obsolete Units with new, environmentally friendly ones, of modern technology and higher performance. Concerning the progress of the Projects during 2020 it is noted that:

- Thermal Units:
  - Megalopoli Natural Gas Combined Cycle Unit No V, of 811 MW net capacity at reference conditions:
    The Unit was put into commercial operation on January 27th 2016 and the Unit's Final Acceptance Protocol was approved in 2019. Following that, certain objections put forward by the Contractor were rejected by PPC and both parties agreed to resort to the negotiation process stipulated in the contract. A Commission for the amicable settlement of disputes was formed for reaching an agreement. The Commissions' report was approved by PPC's Board of Directors and subsequently the letters of performance guarantee were returned to the Contractor.
  - Steam Electric Unit V, of Ptolemaida Station, of 660 MW (+ 140 MWth for District Heating) installed capacity, using pulverized lignite fuel:
    The Installation License of the Project was issued, by the Ministry of Reconstruction of Production Environment and Energy, on April 24th 2015 while the Building Permit was issued on July 1st 2015.
    PPC, in accordance with the contractual provisions, has already paid to the Contractor two advance payments, of approximately €198 mil., each, against relevant Letters of Guarantee of Advance Payment, of approximately €227 mil., each respectively.
    Currently, the submission to PPC for review of studies and drawings, for the procurement of Project's equipment as well as for the construction of civil engineer and electromechanical works, continues. At the same time all Project buildings and facilities are in the process of construction. 93.87% of the mechanical, 97.10% of the electrical, 70.77% of the automation, instrumentation and control, and 74.32% of the water and chemical processing equipment are on site and have been costed. The certified Civil Engineering work has been completed by 96.88%, the installation of mechanical equipment by 89.30%, the raise and installation of electrical equipment by 84.61%, the installation of instrumentation and automation equipment by 24.72%, and the raise and installation of water and chemical treatment facilities by 37.85%. For the fiscal year 2020 expenditure for the project amounted to €100.1 mil.

- Hydroelectric Units:
  - Messochora Hydro-Electric Project (HEP) (160+1.6 MW):
    The Council of the State, with its Decision 2230/2020 published in Dec. 2020, cancelled the project's Approval Decision of Environmental Terms and Conditions. PPC has initiated procedures for the development and submission of a new Environmental Impact Study for obtaining a new Approval Decision of Environmental Terms and Conditions. Once this Decision is accepted, PPC will announce tenders for completing the remaining work for the ground stabilization of Sector D of the Mesochora village.
  - Metsovitiko HEP (29 MW):
    The construction schedules have been affected by the expected issuance of building permits. During 2020 construction and other Civil Engineering works took place, along with studies for the installation of electromechanical equipment. Further installation and operation of delivered equipment is work in progress. For the fiscal year 2020 the expenditure for the project amounted approximately to €7.9 mil.

- Non-Interconnected Islands (Crete, Rhodes, Other):
  - New South Rhodes Station, of 115.4 MW net capacity, consisting of seven similar generating sets (G/S) with four – stroke Diesel engines:
    Civil engineering and electromechanical equipment installation works are completed and all Units have been Commissioned. During 2020 procedures for the project's Temporary and Final Acceptance were initiated. Spare parts delivery progressed during this year. For the fiscal year 2020 expenditure for the project amounted approximately to €0.6 mil.
  - Other NII:
    The total investment expenditure for the NII for fiscal year 2020 amounted to €4 mil.

Environmental Management / Health and Security:

- During 2020 and towards the improvement of the environmental behavior of the Power Generation Units of GDLG and GDTHG:
  - Environmental Management Systems (EMS) according to ISO 14001:2015 of twenty (20) PPCs' Steam and Hydro Electric Stations and the Lignite Center of Western Macedonia were re-certificated by independent Certification Bodies, after surveillance audits. Two (2) Steam Electric Stations (SES), namely SES Melitis and SES Megalopolis, are properties of PPC fully owned subsidiaries Lignitiki Melitis S.A. and Lignitiki Megalopolis S.A., respectively.
  - The Autonomous Power Stations of Chios, Kos, Karpathos, Samos and Lemnos were successfully certified their Environmental Management Systems (EMS) according to ISO 14001:2015.
  - The process for a new EMS according to ISO 14001:2015 for SES South Rhodes (SES Kattavia) continued. The new SES South Rhodes system will merge with the existing Certified EMS of SES Soronis Rhodes and become an integral system.
  - A new EMS according to ISO 14001:2015 is under development for HPS N. Plastira.
  - The preparatory work for issuing a tender for bidding projects aiming at re-certifying the Thermal and Hydroelectric Power Plants according to ISO 14001:2015 has been completed.
- With regard to Health and Safety, during 2020:
  - Recertification of Health and Safety Management Systems, by Independent Certification Bodies and according to OHSAS 18001:2007, was successfully completed for all Thermoelectric Power Plants.

Commercial Business Unit.

The investments of the Commercial Division amounted to €1 mil. for 2020 mainly concern Retail shops restyling works.

The actions of the Commercial Division on retail policy and debt management focus on the following:
During the difficult period of the Covid-19 pandemic, PPC announced three consecutive emergency measures to support its customers, implemented from 26.03.2020 till 25.06.2020 and extended for another 3-month period from 01.10.2020 till 31.12.2020. These measures included:

- Free fixed fee for all Low Voltage customers.
- 8% discount for all Low Voltage household and business customers for the consumption of more than 2,000 kWh.
- 8% discount for vulnerable customers (over 70 year-old customers and people with mechanical support who are not enrolled in the in the Social Residential Tariff).
- Readjustment of the discount on each issued electronic bill.
- Additional discounts for all e-bill customers, old and new, who receive an electronic bill.

In 2020, the consistency discount of 5% was maintained for customers that timely payed their bills.

The 2% discount due to prepayment of electricity bills continued to be offered.

Also continued the ability, if the customers wish, to choose an electronic sending «Monthly bill».

Since 16.04.2020, PPC provided to the farmers a favorable debt repayment plan with the option of paying 15% or 20% of the debt and repayment of the remaining amount in 18 or 24 installments, respectively. Regarding the other categories of customers, the new debt repayment plan since 01.10.2019 was maintained.

Additionally, in the second half of 2020, PPC offered new products (PPC My home Online, PPC My home Enter) with competitive energy charges to attract new customers and adopted new ways of customer services.
PPC established the appointment service in most of its stores, and also extended opening hours in the afternoon in 24 stores.

PPC continued its cooperation with a specialized support service company in terms of the securitization of claims of its customers, in order to manage more efficiently its customer base and to increase its collections, with emphasis on overdue debts.

According to the Electricity Supply Code, PPC proceeded to targeted electricity disconnections to inconsistent customers due to debt. At the same time, the new approved credit policy was implemented by carrying out classified nuisance and de-representation actions, for customers who did not respond to calls to pay or to settle their debts.

With this commercial policy, PPC places, in the center of its activities, the continuous improvement of its services, for the millions of its customers and the improvement of its financial position.

HEDNO S.A.

Development & Operation of Networks.

In 2020, the length of distribution lines increased by 808 km in the medium voltage grids, by 661 km in the low-voltage grids, while an additional 538 Low/Medium transformers were installed and 2,800 relocations (displacements) were made.

Therefore, the Medium Voltage network extends to 113,358 km and the Low Voltage network extends to 128,211 km while transformers stand at 165,290.

Active users of the Distribution network totaled 7,593,412, of which 12,668 in the Medium Voltage.

The total investments in the distribution activity amounted to €173.3 mil. Of these €5.4 mil. related to significant named projects.

Turnaround Times of New Connections.

The average time for the design and construction of simple new user connections was 32 days, while for connections requiring network workings it was 63 days and 79 days for relocation (displacement) requests (data concern the 10month period).

Environmental Issues.

The Company takes care to improve its environmental performance. Within 2020, 2,088km of twisted cables have been installed at the Low Voltage network under the generalized use of these cables in place of bare pipelines, with probable positive effects on the environment.

PPC Renewables

Generation.

Electricity generation in the year 2020 was 297,337 MWh compared to 259,427 MWh in 2019.

Investment activity.

In 2020:

- The Wind Park in Melanios Chios was reconstructed and electrified, within the framework of the Contract for the Design, Supply, Transportation, Installation and Commissioning of 10 Wind Parks of total capacity 19.8 MW in the Aegean. Eight (8) Wind Parks that were reconstructed under the same contract, namely the Wind Parks Agios Ioannis of Karpathos, Perdiki of Ikaria, Pythagorio of Samos, Tigani of Mykonos, Marmari of Evia, Profet Elias of Psara, Potamia of Chios and Sigri of Lesvos had already been put into operation by 2019. The Wind Park in Lemnos (Agios Sozon) is expected to be put into operation until the end of the 1st half of 2021. Also, in May 2020 the contract for the infrastructure works of the Wind Park Moni Toplou in Sitia, Crete was signed and the construction has already begun, while its electrification is expected within the first half of 2021. The works for the construction of the Wind Park with capacity of 9.2 MW in Kefalonia are in progress and are expected to be completed by the end of April 2021. The required permits have been issued and the constructions works of the Wind Park at the locations of "Aeras" of the Municipality of Mouzaki and "Afentiko" of the Municipality of Argithea and the GIS type High Voltage Substation 20/400kV, of 100 MVA power, at the location "Diaselo-Prophet Elias" of the Municipality of Mouzaki, Karditsa have been restarted on a full scale. The electrification and the semi-commercial operation of the Park are expected within the fourth quarter of 2021.
- The semi-commercial operation (4-month duration) of the Small Hydropower Plant Louros was completed and its commercial operation which lasts until 09.11.2021 has been started (12-month warranty period). The works for the Small Hydropower Plant SMOKOVO II have been started with the contractor "EYDROMOS ATE - GH CONSTRUCTIONS IKE", while its commissioning is expected by the end of the third quarter of 2021. The construction of the Small Hydropower Plant MACROCHORI II has been started with the technical company "CHRISTOFOROS D. KONSTANTINIDIS".
- Construction works from the 100% subsidiary of PPCR, "ILIAKA PARKA DYTIKIS MAKEDONIAS ENA S.A.", for the PV Plant of 14.99MW capacity, with fixed tilt mounting structure, and the 20/150kV "Agios Christoforos" Substation, which will include a 20/25MVA power transformer, of a total contractual budget of Euro 9.7 mil. at "Paliampela" plot, in the regional unit of Kozani, have already began. It is expected that the semi-commercial operation of the PV Plant will start in July 2021. On December 31st, 2020 the total cost of the project amounted to Euro 2.3 mil.
- Construction works from the 100% subsidiary of PPCR, "ILIAKA PARKA DYTIKIS MAKEDONIAS DYO S.A.", for the PV Plant of 14.99MW capacity, with horizontal single-axis trackers, and the 33/150kV "Charavgi" Substation, which will include a 20/25MVA power transformer, of a total contractual budget of Euro 11.5 mil. at "Xiropotamos" plot, in the regional unit of Kozani, it is expected that the semi-commercial operation of the PV Plant will start in September 2021. On December 31st, 2020 the total cost of the project amounted to €196 thousands.
- Construction of Photovoltaic (PV) Plant by "ILIAKO VELOS ENA S.A"
  The tender for the construction from the 100% subsidiary of PPCR, "ILIAKO VELOS ENA S.A.", of the PV Plant of 200MW capacity, with horizontal single-axis trackers, of an indicative budget of €110.2 mil. at "Lignitiko Kentro Dytikis Makedonias" plot, in the Prefecture of Kozani, has been completed and a Provisional Contractor has been declared.
- In March 2020, PPC Group signed a Memorandum of Understanding with RWE for the development of RES projects in Greece through PPC Renewables S.A., in the context of its lignite phase-out strategy and its broader turn in the field of renewable energy.

Significant events for the period January 1st 2020 – December 31st 2020.

Significant events for the year 2020 are presented in detail in Note 3 of the Financial Statements.

Effects of the Covid-19 Pandemic.

On March 11th, 2020, World Health Organization (WHO) declared the Covid-19 a pandemic, given the rapid spread worldwide. Since mid-March, the Greek government began taking measures both to reduce the spread of the disease and to mitigate the economic impact of the Covid-19 pandemic on affected businesses and individuals.

The Group and the Parent Company implement a series of actions aiming to inform employees, raising their awareness on the prevention and protection measures, providing them with the appropriate Personal Protective Equipment (PPE), protecting both them and their families and at the same time ensuring their business continuity. PPC also took extraordinary measures in order to relief electricity consumers, amending its tariffs in electricity bills from March 26th, 2020 and for a quarter, while some of the measures were extended until December 31st, 2020. Furthermore, the Parent Company from October 1st, 2020, until December 31st, 2020, proceeded to a new package of financial relief measures for electricity consumers due to the pandemic.

The Group's and the Parent Company's Management, during the previous period, monitored daily the developments and measures taken regarding the rapid spread of the Covid-19 pandemic and assessed any adverse or positive impacts that may have arisen, making estimates for the following:

- The evolution of the electricity demand.
- The availability of the Power Production Units.
- The evolution of the expenditures (energy balance, payroll, other expenses etc.).
- The evolution of the revenues from electricity sale.
- The evolution of other revenues (i.e. revenues from the use of the Distribution Network).
- The evolution of the expected cash flows.
- The possibility of breach of contracts by the suppliers (due to extraordinary events).
- The possibility of reduced electricity bills collection.
- The possibility of changing the investment plan.
- The degree of achievement its business plan and the need to adjust it.
- The fair value of the Group's property, plant and equipment.

Due to the fact that the majority of the impacts mainly comes from the measures taken, both worldwide and in Greece since mid-March 2020 to reduce the spread of the pandemic and to mitigate the economic impact on businesses and individuals, the Group's and the Parent Company's operation has been affected, initially causing short-term effects on their financial position, operating results and cash flows, while in the medium - long term horizon there may be positive impacts on the implementation of their business and investment plans.

Based on the above for the year 2020:

- There is a reduction of expenses for the energy balance as a result of the reduced volume of electricity purchases due to the reduced electricity demand, low fuel prices as well as the reduced SMP. In the following table the corresponding figures, concerning expenses for the Group and the Parent Company for 2020 and 2019 are presented.

	GROUP			COMPANY		
	2020	2019	D%	2020	2019	D%
Liquid Fuels	462,515	670,885	(31%)	455,849	659,303	(31%)
Natural Gas	297,858	431,390	(31%)	297,858	431,390	(31%)
Energy purchases	1,117,863	1,486,367	(25%)	1,215,330	1,698,415	(28%)
Emission allowances	393,486	546,462	(28%)	327,861	411,885	(20%)
TOTAL	2,271,722	3,135,104	(28%)	2,296,898	3,200,993	(28%)

- There is a decrease of Electricity Sales by €341.3 mil. and €351.7 mil. compared to 2019 due to the reduced demand for electricity for the Group and the Parent Company respectively.

The overall economic impact of the current crisis, from the Covid-19 pandemic, on the global and the Greek economy as well as on business activities, cannot be assessed at this moment due to the high degree of uncertainty resulting from the inability to predict the final outcome. In any case, the Group's and the Parent Company's Management monitors constantly the developments of Covid-19 pandemic and evaluates any possible further effects on the operation, financial position and results of the Group and the Parent Company, and stays alert to take further appropriate precautionary measures to safeguard the Group's and the Parent Company's liquidity and business activities.

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.

Risks related to macroeconomic conditions in Greece and the European Union.

Risks related to the impact of the Covid-19 pandemic.

The degree to which the Covid-19 pandemic impacts the Group's and the Parent Company's results, cash flows, access to funding and financial position is outside of their control and will depend on future developments, such as the spread of the Covid-19 pandemic or variants thereof, the success and pace of vaccination programs and the response of the local authorities and the global community, which are still highly uncertain and cannot be predicted. These developments may include, but are not limited to, the duration and spread of the Covid-19 pandemic, its severity, actions taken to contain it or mitigate its impact, the extent and effectiveness of economic stimulus taken to contain Covid-19 or mitigate its impact and how quickly, to what extent normal economic and business activity can resume and the possibility of experiencing a further lockdown period.

In response to the Covid-19 pandemic, the Group and the Parent Company have prepared an operational plan to ensure the continuity of their activities. This plan is continuously supplemented and revised, taking into account the development of the Covid-19 pandemic and health and safety measures from governmental bodies. Given the uncertainty around the Covid-19 pandemic, no assurance can be provided that the measures taken will be adequate in protecting the Group's and the Parent Company's staff and operations from the effects of the Covid-19 pandemic.

Risks related to the Greek and the European economic and political developments.

Substantially all of the Group's and the Parent Company's assets and operations are in Greece. As a result, macroeconomic developments and political conditions in Greece inevitably affect their business, results, financial position and prospects.

In the ordinary course of their business the Group and the Parent Company are exposed to the risk of a reduction in demand for electricity which may occur as a result of any global financial and economic uncertainty.

Any changes in global commodity prices, available cross-border capacities or material changes in electricity demand in Europe could have an impact on electricity prices and a material adverse effect on the Group's and the Parent Company's business, results and financial position. Furthermore, a potential disruption in gas supply could have a material adverse effect on their business as this could create an energy shortage and could impose the substitution of natural gas by diesel oil in some of their gas-fired units.

Risks related to the Group's and the Parent Company's business.

Any negative impact on demand for electricity in Greece and the ability of the Group's and the Parent Company's customers to timely pay electricity bills, could materially and adversely affect their results of operations, financial condition and cash flows.

The Group's and the 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 the Group's and the Parent Company's industrial and commercial clients.

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

Risk relating to the non implementation of the Group's key strategies.

The Group and the Parent Company face many risks that could adversely affect their ability to successfully implement the key strategies in their business plan. These risks include potential changes in electricity demand in Greece and in Europe, changes in electricity and emission allowance and fuel prices and the regulatory framework, increases in generation, transmission and distribution costs, future developments affecting the electricity infrastructure within Europe, technological changes, energy services, competition in the markets in which they operate (or intend to expand into), political and economic developments affecting Europe and EU legal and regulatory requirements. They also face the risk of internal or political resistance against their key strategic initiatives by their employees, labor unions, local communities, political parties and/or other stakeholders. Any failure to successfully implement their key strategies within the desirable timeframe could have a material adverse effect on their business, results and financial position.

In addition, the Group and the Parent Company have undertaken in the past, and may continue to implement in the future, various initiatives in order to increase the productivity and operating efficiency of their power plants, as well as measures to decrease their operational costs. Although these initiatives have historically been implemented in an effective manner, there can be no assurance that they will continue to be effective in the future, and such actions may not fully materialize, or the Group and the Parent Company may not be in a position to capture the total benefit therefrom due to external factors over which they have little or no control. Such factors include general macroeconomic conditions in Greece, the level of competition in the industry, restrictions in hiring and retaining qualified personnel due to their status as a majority state-owned company, and the manner in which their profitability measures are viewed and accepted by their customers, their suppliers and their employees.

Risks related to the non successful implementationof the Group's renewable energy project pipeline as envisaged.

For their renewable energy projects, the Group and the Parent Company must obtain, among other requirements, planning and other consents from relevant authorities, secure any required easements from landowners and construct the physical connection between each project and the Distribution Network. Any failure or delay to obtain or delay in obtaining the necessary approvals, permits or licenses, 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 their business, operations, prospects, financial position and results. If the Group and the Parent Company are not able to fund their renewable energy projects at economically attractive prices there will be delays or even cancellation of certain of their projects.

Furthermore, all large-scale development projects are complicated and subject to a complex, overlapping legislative regime which involves, but is not limited to, grid connection rules, subsidy and capacity market support rules and wider electricity market rules. There can be no guarantee that any renewable energy project will be completed in a timely manner or that an interested stakeholder will not challenge the Group's and the Parent Company's compliance with such regimes. Any such risk could have a material adverse impact on their business operations, prospects, financial position and results.

Risk of exposure in competition in the wholesale and the retail market.

The Parent Company faces intense competition and share loss in the wholesale market, due to the increased penetration of renewables units in the System and the Distribution Network, increased electricity imports from neighboring countries and intense competition by third-party independent electricity producers, as well as low efficiency factors of aged power units in its generation portfolio. Potential changes in the competitive environment, through the introduction of new laws and/or regulatory mechanisms in the electricity market that benefit the Group's competitors may adversely affect its results and cash flows.

In addition, due to rising prices of CO_2 emission allowances and the rigid environmental regulatory framework, the competitiveness of the Group's lignite production has been adversely affected. Until full lignite decommissioning has been achieved, the low competitiveness of the Group's lignite production could have a significant adverse effect on the Group's and the Parent Company's business, financial position and results. In addition, delays in the decommissioning schedule outside their control (e.g. due to a request of the System operator, RAE or the Greek government, following which they may have to keep any of their lignite units in operation or reserve without adequate remuneration) may also adversely affect the Group's and the Parent Company's results and cash flows.

The Parent Company is required to decrease its supply market share in Greece to below 50.0%. The Group and the Parent Company believe that large parts of the supply market will be unattractive to potential competitors due to low margins or challenging payment profiles. Accordingly, they anticipate that their existing and future competitors will attempt to "cherry-pick" the best customers, while the Parent Company could be required to continue to supply electricity to less profitable customers with riskier credit profiles. This dynamic may put the Parent Comapny in a competitive disadvantage vis-à-vis its competitors. More generally, the Parent Company in its electricity supply business, relies on its relationships with a number of large customers. Nevertheless, the average profit margin is higher with Low and Medium Voltage customers. Therefore, the loss of a large number of the Parent Company's Low and Medium Voltage customers could have a greater net negative impact on its profitability than the loss of High Voltage customers.

In the recent past, the Group's obligation to supply its competitors with a substantial amount of wholesale electricity at below cost pursuant to NOME-type auctions had a detrimental impact on its business and results. While NOME-type auctions were abolished in October 2019, similar measures or other structural reforms are under discussion between the Greek authorities and the European Commission and may be imposed.

Tariff risk for the competitive activities.
Despite the deregulation of tariffs for all of the Parent Company's customers (with the exception of vulnerable customers), its ability and freedom to formulate its tariffs is limited by (i) the current socioeconomic conditions in Greece, (ii) the ability of its customers to cope with new tariffs and pay their bills and (iii) decisions of the regulator and/or strategic initiatives of the Greek government. If any new proposed tariff structures are not well received and accepted by the Parent Company's customers, their ability or intent to pay their electricity bills may be negatively impacted, which could in turn negatively affect the collectability of electricity bills. Moreover, if tariff increases affect the Parent Company's competitiveness by providing alternative suppliers with a competitive advantage against it with respect to the tariff policy they apply, the potential implications could negatively influence its business, financial position and results.

In addition, the Parent Company may face difficulties incorporating increased commodity costs, as well as costs related to electricity and emission allowances in electricity bills through increased tariffs. In this context, the Hellenic Republic or the Regulator may propose tariff policies to serve wider economic objectives. Such proposals may negatively affect the Parent Company's ability to freely determine tariffs based on its business needs and strategy and may have an adverse effect on its results of operations and financial performance in the near and long term.

Furthermore, a significant part of the Group's revenue depends on regulated charges included within its tariffs, such as electricity distribution usage charges and PSOs. Such regulated charges are set by RAE. These regulatory policies and their related charges are regularly revised as they are susceptible to political and socioeconomic concerns. 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, including changes to the price setting mechanisms as a result of such political and socioeconomic concerns. As a result, any changes in regulated charges that may affect the Group's electricity distribution revenues could have a material adverse effect on its business, results and financial position, as well as hamper its ability to raise equity or loans for funding its investment plans.

The Group cannot provide any assurance that new tariff mechanisms would not be put in place in the future or that regulated charges would be set at a level which would allow to preserve its short-term, medium-term or long-term investment capacity while ensuring a fair return on the capital invested in its electricity generation, distribution and supply assets.

Risks related to the Group's and the Parent Company's relationships with industrial customers.

The Group and the Parent Company maintain power supply contracts with certain high and medium voltage industrial customers in key economic sectors in Greece. The inability of such customers to pay in full the amounts billed in relation to their electricity consumption, and their ability to engage with competitor suppliers, may have an adverse effect on the Group's and the Parent Company's business, financial position and results. Further, the outcome of any negotiations with such clients on financial and other terms for extending their contracts and the impact of such outcome to the Group's and the Parent Company's business with such customers or generally is uncertain.

Risks associated with the Group's expansion of operations.

The Group and the Parent Company continue to evaluate investment opportunities in the future, and they may expand their operations both domestically and in other countries or in new markets. Any failure to manage the risks and costs associated with expanding the Group's operations and the integration of future acquisitions could have a material adverse effect on its business, results and financial position. The Group and the Parent Company may also enter into joint venture arrangements where they grant protective rights to minority holders or otherwise hold interests in entities in which they own less than a majority of the equity or which they do not manage or otherwise control.

The Group and the Parent Company may be dependent on their joint venture partners to operate certain projects or entities and they may have limited influence and control over the performance and cost of operations of these entities.

The acquisition of businesses or assets may be connected to risks or liabilities of which the Group and the Parent Company were or may be unaware, or which they may not have correctly assessed or assumed, or against which they have not obtained full legal protection.

As part of their ongoing transformation, the Group and Parent Company are contemplating the reorganization of the Distribution Network assets and have initiated the process for the sale of a minority stake in HEDNO, their wholly-owned subsidiary that operates the Distribution Network. This strategic initiative is expected to result in the transfer of substantially all of the grid-related assets from PPC to HEDNO, and the sale of an up to 49.0% minority stake in the reorganized network operator to a joint venture partner. HEDNO will remain a Group's majority-owned subsidiary and will continue to be consolidated in the Group's results of operations and financial accounts, however, the management and operations of HEDNO might be subject to joint venture arrangements that may have an impact on the Group's continuing control over HEDNO's financial, strategic and operating decisions. The sale process for HEDNO commenced in December 2020 with the publication of a request for expressions of interest from bidders and, subject to further approvals, it is anticipated that the sale will be completed by the end of 2021. However, there can be no assurance that the sale will be completed on this timeframe or at all.

Risks related to climate conditions and seasonal variations.

Electricity consumption is seasonal and affected mainly by climate conditions. In Greece, electricity consumption is generally higher during the summer months with periods of hot weather resulting in sudden increases in demand, a situation that may be exacerbated by climate change leading to warmer weather conditions. However, the vast penetration of RES has created significant changes in the residual load that needs to be covered by thermal and hydro generation, both in terms of seasonality and intra-day load curve. Currently, load peak demand appears more often in the winter period. Electricity generation may also depend on climate conditions, such as droughts or heat waves, which can limit power generation due to requirements to observe specific flow requirements for rivers downstream of facilities in connection with the cooling of power plants or due to the speed and direction of winds or of the availability of sunshine for the generation of renewable energy. In very extreme cases climate conditions might also create problems in the supply of LNG. Consequently, the Group's and the Parent Company's income reflects the seasonal character of the demand for electricity and may be adversely affected by significant variations in climate conditions. The Group and the Parent Company may need to compensate for a reduction in electricity generated by their units, especially at times of increased demand, by utilizing other electricity generation means at higher cost or by resorting to the wholesale market at higher prices, which could have a material adverse effect on their business, results and financial position.

Weather conditions are outside of the Group's control and, therefore, the Group and the Parent Company cannot guarantee that their hydropower plants will be able to meet their anticipated generation levels. If hydrological conditions result in droughts or other conditions that negatively affect hydroelectric generation business, the Group's results could be materially adversely affected.

Risks related to the effective performance of the equipment in the operation of the power plants and electricity and natural gas distribution networks.

The Group's and the Parent Company's business and ability to generate revenue depend on the availability and operating performance of the equipment necessary to operate their power plants and electricity and natural gas distribution networks. Mechanical failures or other defects in equipment, or accidents that result in non-performance or under-performance of a power plant or electricity and/or natural gas distribution network may have a direct adverse impact on the revenues and profitability of their activities. Accordingly, any significant expenses incurred by failures, defects or accidents relating to their operating equipment and infrastructure could have a material adverse effect on their business, financial position and results.

In addition, the Group and the Parent Company periodically shut down certain power plants or individual units in their power plants, and incur expenses in connection with inspections, maintenance or repair activities. Furthermore, their power plants, their distribution infrastructure, mining facilities and information systems controlling these facilities are subject to failure, breakdowns, unplanned outages, capacity limitations, system loss, breaches of security or physical damage due to natural disasters, such as adverse weather conditions, storms, floods, fires, explosions, landslides, slope ruptures or earthquakes, sabotage, terrorism, human error, computer viruses, fuel supply interruptions, criminal acts and other catastrophic events. The Group and the Parent Company may have to unexpectedly shut down all or part of their power plants as a result of the occurrence of any of these events and any physical damage to their facilities may be costly to repair. In addition, regularly planned shut-downs may increase in the future due to, for example, increased environmental and other requirements or regulations. Furthermore, the transmission of electricity from the Group's and the Parent Company's power plants to their customers is dependent upon the infrastructure and reliable operation of both the Transmission System and the Distribution Network. Any failure or inadequate development of the Transmission System and/or Distribution Network, natural disasters and insufficient maintenance, could prevent them from distributing electricity from their power plants to end-consumers, which in turn could have a material adverse effect on the Group's and the Parent Company's business, results and financial position.

Risks related to defaults or delays by the Group's or the Parent Company's counterparties, as well as by financial institutions.

The Group and the Parent Company face the risk of potential default or delay by their counterparties, which include their partners, contractors, subcontractors and suppliers. Any default by counterparties may affect the cost and completion of the Group's and the Parent Company's 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, find alternative counterparties or complete the respective projects by their own means, which could have a material adverse effect on their business, results and financial position.

Additionally, the Group and the Parent Company are exposed to the risk that counterparties that owe them money, energy or other commodities as a result of market transactions will not perform their obligations. Should the counterparties to these arrangements fail to perform their obligations, the Group and the Parent Company may be required to enter into alternative hedging arrangements or honor the underlying commitment at then-current market prices. In such an event, they may incur losses in addition to amounts, if any, already paid to the counterparties.

The Group and the Parent Company rely on current and future relationships with major suppliers and service providers for the operation and growth of their business and will continue to be reliant on third parties for their further development. For example, the Group and the Parent Company rely on external providers to regularly maintain and service their power plants, as well as on external suppliers for their liquid fuel and natural gas requirements.

Dependence on these relationships may impact the Group's and the Parent Company's ability to negotiate favorable contract terms with these counterparties, and there is no guarantee that they will be able to replace any material suppliers or service providers in a timely manner, or at all, in the event that any of these relationships were to be discontinued or terminated. If the Group and the Parent Company are unable to negotiate favorable contracts with their suppliers or service providers, or such suppliers or service providers are unable to fulfill their obligations, or discontinue business with them, and the Group and the Parent Company are unable to find other suitable replacements, their business, financial position or results may be adversely affected.

Additionally, as a large industrial organization and utility, the Group and the Parent Company retain relationships with customer advocacy groups, such as the Hellenic Federation of Enterprises (former Association of Greek Industrialists) and the Hellenic Union of Industrial Consumers of Energy. However, given the continuing fluid economic and financial environment, especially amidst the Covid-19 pandemic, and the ongoing reforms in the Greek economy and the energy market, there is no assurance that they will continue to maintain good relationships and communication with the regulator or customer advocacy groups, and any disruption in these relationships may adversely affect their business and reputation.

Risks related with delays in constructing or connecting electricity generation facilities.

The Group and the Parent Company face risks relating to the construction of their electricity generation units, including risks relating to the availability of equipment from their suppliers, availability of building materials and key components, availability of key personnel, including qualified engineering personnel, delays in construction timetables and completion of the projects within budget and to required specifications. They may also encounter various setbacks such as adverse weather conditions, difficulties in connecting to electricity transmission grids, construction defects, delivery failures by suppliers, unexpected delays in obtaining zoning and other permits and authorizations or legal actions brought by third parties in relation to, among others, their compliance with environmental laws and regulations.

Moreover, the Group and the 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. Various groups may publicly oppose certain development projects. This opposition, along with political developments, could hinder or prevent the development of such projects.

Risks related to extraordinary events.

Unexpected events, including, among other things, natural disasters, adverse meteorological conditions, fires, war, terrorist activities and strikes may lead to a breakdown or the interruption of the operation of the Group's and the Parent Company's mines, power plants and Distribution Network. Additionally, adverse macroeconomic developments, as well as financial and operating problems of basic suppliers and contractors may have a negative impact on their ability to purchase liquid fuels, spare parts and materials and may increase their operating expenses.

The Group's and the Parent Company's operations are susceptible to industrial accidents, and their employees or third parties may suffer bodily injury or death as a result of such accidents. In particular, while the Group and the Parent Company believe that their equipment has been well designed and manufactured and is subject to rigorous quality and assurance control tests, and although their power plants and facilities are in compliance with applicable health and safety standards and regulation, the design and manufacturing process is ultimately controlled by their equipment suppliers, manufacturers and engineering, procurement and construction (the "EPC") contractors rather than them, and there can be no assurance that accidents will not result during the installation or operation of this equipment. Additionally, the mines and power plants that they operate, their networks and employees may be susceptible to harm from events outside the ordinary course of business, including natural disasters, catastrophic accidents and acts of terrorism. Such accidents or events could cause severe damage to the Group's and the Parent Company's power plants and facilities, requiring extensive repair or the replacement of costly equipment and may limit their ability to operate and generate income from such facilities for a period of time. Such incidents could also cause significant damage to natural resources or property belonging to third parties, or personal injuries, which could lead to significant claims against the Group and its subsidiaries.

Furthermore, the consequences of these events may create significant and long-lasting environmental or health hazards and pollution and may be harmful or a nuisance to neighboring residents. The Group and the Parent Company may be required to pay damages or fines, clean up environmental damage or dismantle power plants in order to comply with environmental or health and safety regulations.

They may also face civil liabilities or fines in the ordinary course of their business as a result of damages to third parties caused by the natural and/or man-made disasters mentioned above and in the past, they have paid civil liabilities to third parties due to such disasters. These liabilities may result in the Group and the Parent Company being required to make indemnification payments in accordance with applicable laws.

The occurrence of one or more of any of these natural and/or man-made disasters, and any resulting civil liabilities or other losses, could have an adverse effect on the Group's and the Parent Company's business, financial condition and results of operations.

Risk from the absence of Fixed Asset insurance.

In addition to the risks of natural disasters, hazards such as fire, explosion, fuel spillage, releases into the environment, collapse, machinery failure and hydro dam leakage are inherent in the Group's and the Parent Company's operations. These events may occur as a result of inadequate internal processes, technological flaws, human error or external events. The hazards described above can cause significant personal injury or loss of life, severe damage to and destruction of property, plant and equipment, contamination of or damage to, the environment or natural resources and suspension of operations. The occurrence of any of these events may result in the Group and the Parent Company being subject to investigation, remediation requirements, substantial damages, environmental clean-up costs, personal injury and natural resource damages, fines and/or penalties and loss of revenue from suspended operations, among other things.

Except for directors' and officers' insurance, the Group and the Parent Company do not currently maintain insurance against the usual risks associated with their power plants (with the exception of certain renewable energy projects), distribution assets, property and equipment. Only major information technology equipment, time chartered tankers (against charterer's risk), transported fuel loads and transportation of heavy equipment (by any means) are insured. Moreover, materials and spare parts as well as liabilities against third parties are not insured. This has been primarily due to the high costs associated with obtaining insurance against these risks compared to the cost for remediating the damage should any of these risks occur, as well as the dispersed network of power plants. Additionally, the Group and the Parent Company do not maintain insurance against third-party liabilities with respect to the Distribution Network. During the construction period, major assets (except for networks) are insured by EPC contractors.

Any severe damage to the Group's and the Parent Company's key power plants, distribution assets or mining equipment could have a significant adverse impact on their business, financial position or results. Additionally, business interruptions due to labor disputes, strikes, earthquakes, fires, and adverse weather conditions, among other factors, could potentially, depending on their severity and duration, result in a loss of revenues or increased costs. The Group and the Parent Company can provide no assurance whether they will be able to repair or finance the restoration of potential damage to their plants or equipment should these be too severe or widespread to repair on a timely basis, if at all.

Risk associated with the operation and production capacity of the Non-Interconnected Islands Network (NII).

The Group and the Parent Company cannot guarantee that failures in their Non-Interconnected Islands Network will not occur in the future or that they will be able to cover demand in the event of such failures. Any such failures in the Non-Interconnected Islands Network may have an adverse effect on the Group's and the Parent Company's business, financial position and results, as well as their reputation.

For all Non-Interconnected Islands thermal power plants the Group and the Parent Company risk not recovering their unamortized capital costs. In particular, for the thermal power plants to be set at cold reserve, they have an additional risk of not recovering their operating expenses. At the same time, the Group and the Parent Company cannot conclusively determine, at which point in time IPTO will assume full management responsibility over Crete's high voltage grid system and power units dispatching. The above may have an adverse effect (especially in the case of large islands such as Crete and Rhodes) on their business, financial condition and results of operations.

Risk associated with the difficulty in hiring and retaining qualified personnel.

The Group and the Parent Company have encountered and may continue to encounter difficulties in retaining key qualified and highly specialized personnel across their business units and attracting new personnel. The inability in the future to attract or retain sufficient technical and managerial personnel could limit or delay their development efforts or negatively affect their operations, which could have an adverse effect on their business, financial position, prospects or results.

Experienced and capable personnel in the energy industry is in high demand and the Group and the Parent Company face significant competition to recruit such personnel. Their failure to hire, train or retain a sufficient number of experienced, capable and reliable personnel with appropriate professional qualifications, especially in senior and middle management positions, or to recruit skilled professional and technical staff at the same pace as their growth, could have a material adverse effect on their business, results and financial position.

The Group may face strikes.

Almost all of the Group's and the Parent Company's employees are members of labor unions. These unions are considered to be strong and politically influential, but the Group and the Parent Company believe that relations with them are generally good despite certain claims of employees and pensioners against them and occasional strikes. There can be no assurance that good relations will continue in the future. From time to time, the Group's and the Parent Company's employees may engage in industrial action that may disrupt their operations, which may have a material adverse effect on their business, financial position and results.

Risk associated with Information Technology (IT) security.

A large portion of the Group's and the Parent Company's operations is based on information systems, hence they are exposed to the risk of non-availability, data integrity corruption, power disruptions, malicious cyber-attacks and unauthorized access to these systems. In order to minimize these risks, the Group and the 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.

The Group and the Parent Company believe that they currently have adequate insurance 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 the Group and the Parent Company 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 on their business.

Risks related to climate change.

Climate change and the societal and political response to it may have a significant impact on the Group's and the Parent Company's activities. According to the guidance issued by the "Task Force on Climate-related Financial Disclosures," the task force set up by the G20's financial stability board to develop a voluntary framework for companies to discuss the financial impact of climate related risks and opportunities, the Group and the Parent Company divide climate-related risks into two major categories: a) risks related to the transition to a lower-carbon economy and b) risks related to the physical impacts of climate change.

Risks related to the transition to a lower carbon 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 Group's and the Parent Company's operations and value of their thermal plants. While they are actively implementing their delignification strategy, the Group's and the Parent Company's renewable energy rollout is still in its nascent phase and they remain dependent on their conventional generation units for the bulk of electricity production. The Group and the Parent Company believe that they have the largest renewable energy project pipeline in Greece, totaling more than 6.0 GW, a portion of which will be rolled out at their depleted lignite fields, largely in parallel with the decommissioning of substantially all of their lignite-fired generation assets. It is expected that approximately 1.3 GW of this pipeline will commence operating commercially by 2023, with the total RES capacity reaching 1.5 GW (including the existing 0.2 GW) by the end of 2023. The majority of this new capacity will be from solar energy, with the remainder from wind, hydropower and other renewable technologies. If the Group and the Parent Company are not successful in the rollout of their renewable pipeline, they will face challenges from the anticipated hostile (vis-à-vis more traditional, carbon intensive utilities, such us) 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 that could significantly impact electricity demand, changes in hydrological conditions, affecting the Group's and the Parent Company's hydroelectric generation and the cooling and efficiency of their thermal power plants and changes in wind patterns and solar radiation affecting wind and solar generation and revenues. The increased incidence of extreme weather events caused by climate change could also significantly affect the Group's and the Parent Company's conventional and renewable generation, as well as the resilience and performance of the Distribution Network. While they follow and regularly assess such risks and their response to them at both management and board level, the Group and the Parent Comapny may not be able to predict, mitigate or adapt to the medium or long-term physical changes associated with some climate change risks, which may adversely impact their financial position, business and results.

Risks related to the regulatory and legal framework.

The Group and the Parent Company are subject to a regulatory framework in Greece and the EU that is complex and uncertain.

The laws, regulations and policies of the Hellenic Republic and the EU affect the Group's and the Parent Company's business, financial position and results. Regulation of the Greek electricity market has changed significantly following the implementation of regulatory and legal reforms designed to liberalize and create more competition in the Greek electricity market. The European Commission monitors the Hellenic Republic to ensure that the Greek regulatory regime and electricity market comply with the applicable Electricity Directives and other EU laws and regulations. The European Commission and other EU institutions, together with national courts and tribunals, also enforce European competition, environmental and other rules. The European Commission may adopt supplementary regulations at any time, and Greek law and regulations may change in the future pursuant to decisions of the EU institutions with respect to relevant directives, laws and regulations. Any such action or changes by the European Commission may also lead to the withholding of certain benefits that the Group and the Parent Company had received in the past, such as immunity from enforcement proceedings or injunction measures against their assets or against their installations in relation to the performance of lignite mining, electricity generation, distribution, trading and supply activities. In addition, future changes in EU or Greek regulatory policies, including, for example, a determination that there is insufficient liberalization or competition in the electricity market, may influence future regulation. Potential amendments to the regulatory and legislative framework governing the electricity market, as well as RAE's decisions concerning the regulation and functioning of the Greek electricity market in general, and any restructuring or other changes to the Group's and the Parent Company's business driven by the regulatory framework, may have a materially adverse effect on their business, financial position and results.

In addition to these risks, the Greek electricity system and market are in the midst of broader developments as the regulatory landscape in Europe is subject to changes, which are related to promoting the integration of European electricity markets, enhancing competition in energy markets, developing the renewable and energy sources, limiting the use of solid fossil fuels in electricity generation, providing consumers with viable alternatives and generally promoting sustainable energy investment. As such, the Group and the Parent Company anticipate that the regulatory framework of the Greek energy market will continue to evolve in light of ongoing European and national developments, decisions and regulations. Any potential modifications and adjustments to the applicable regulatory and legislative framework, which would restrict business activities or lead to inadequate market liberalization, could have a significant adverse effect on their business, financial position and results.

In particular the following main legislative dossiers are under discussion in the EU:

- Implementation of the EU Green Deal plan.
- Energy Taxation.
- Provisions concerning the "Just Transition Fund".
- European Regulatory Framework on Sustainable Finance.

As an electricity utility company, the Group and the Parent Company are subject to the regulatory framework and requirements prescribed by applicable regulatory and administrative authorities, such as RAE. In view of their role as an electricity utility, our day-to-day operations inherently entail frequent communications and interaction with RAE for the purpose of ensuring compliance with the regulatory regime applying to their business from time to time. Given the increased human, technical and financial resources needed to respond to decisions of RAE or other national or international institutions, especially as such decisions may not take into account all relevant factors which could have uncertain consequences on their business and their operations, the Group and the Parent Company cannot give any assurances that they will be at all times in a position to fully and timely satisfy the regulatory, environmental, financial and any other requirements imposed by the Regulator.

Uncertain or unexpected decisions of governmental or regulatory authorities could have a material adverse impact on the Group's and the Parent Company's business, results and financial position.

The Group's and the Parent Company's business and industry are subject to extensive and complex regulation, much of which may be open to interpretation and subjective implementation by numerous national and international institutions as well as regulatory and administrative authorities. Regulation 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 behavior 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's and the Parent Company's business, and any changes in law or regulation, or decisions by Governmental bodies or regulators, could negatively affect their business.

There are also inherent risks that governmental or regulatory authorities will interpret or apply laws and regulations in a manner the Group and the Parent Company do not expect or agree with. There have been in the past disputed adverse or unfavorable decisions of administrative, regulatory and judicial authorities, and the Group and the Parent Company may become subject to disputes with competent authorities over similar matters in the future. Adverse regulatory decisions or interpretations could have uncertain and unexpected consequences on their business and operations, which, in turn, could have a material adverse effect on the Group's and the Parent Company's business, results and financial position.

The Group and the Parent Company are subject to regulatory interventions and/or proceedings relevant to their position and share in a formerly monopolistic market.

In light of the concurrent competence of the EU and their member states in shaping energy policy and liberalizing the energy sector into a unified market across the EU, over the last decade the Group and the Parent Company have been made subject to certain regulatory interventions and/or proceedings initiated by European regulators and/or the Greek government with respect to, among others, the reduction of their market share in the wholesale and supply electricity market and their position as the only vertically integrated electricity producer and supplier with exclusive access to certain types of power generation, such as lignite.

Current legislation provides that the Group and the Parent Company would have reduced their market share in both the generation (plus imports) and the supply markets in the Interconnected System to below 50.0% by no later than the end of 2019. While the mandated decrease in the generation market share has been achieved within this timeframe, the share in the supply market remains at 66.8% as of December 31, 2020 in the Interconnected System. Although the European Commission has acknowledged, in Greece's increased surveillance report of November 2020, a continued downward trend in such share, there has been no assessment by the Hellenic Competition Commission as to the feasibility of these targets and timeline as initially envisaged by Law 4336/2015 but not further specified in subsequent Law 4389/2016, and the Group and the Parent Company believe that a substantial portion of the supply market could be practically impervious to opening up given the challenging profitability and payment profiles of certain segments of the retail market. Accordingly, there can be no assurance that the Parent Company will be successful in reducing its supply market share to below 50.0% and it cannot be precluded that it may be made subject to further structural, financial or other measures towards this and/or be imposed with fines if it were to be found to have failed in timely reducing its supply market share or complying with any such measures. If any such circumstance was to occur, the Group's and the Parent Company's business, financial position and results could be adversely affected.

There have been several regulatory interventions with respect to the Group's exclusive access to lignite. As a result of Greece's conviction regarding its lignite power exclusivity, which is pending as of 2008, the Greek government has sought to procure divestment from certain lignite power plants, which was abandoned on July 18, 2019. Further to recent discussions between the Greek Ministry of Environment and Energy and the European Commission in relation to the Anti-Trust Case remedies, it was announced in January 2021 that, following appropriate market testing, a new mechanism will be put in place for the next three years whereby the Group and the Parent Company will be entering into bilateral contracts with suppliers for lignite produced power against prices linked to the Day-Ahead Electricity Market. Although the Group and the Parent Company believe that due to their general lignite decommissioning plan and the pricing of such bilateral contracts on the basis of the Day-Ahead Market, their business, financial condition and results of operations would not be materially affected by such measures, there can be no assurance that the European Commission will formally endorse the proposal as such following completion of the market testing or that the laws implementing such mechanism will not include other factors, obligations or procedures binding upon the Group and the Parent Company that may have an adverse impact on their wholesale business.

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 of the TFEU and is currently under way. With respect to this investigation, DG Competition has sent two sets of official "Requests for Information" to PPC so far, one in January 2019 and the other in November 2020, which have both been duly answered by PPC and no statement of objection has been notified. There has no definitive indication as to the timing of this investigation, which could be concluded or discontinued at any time 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 PPC has breached competition law, then penalties and/or remedies may be imposed, which may have an adverse impact on the Group's and the Parent Company's business, financial position and results.

The Group and the Parent Company are subject to certain laws and regulations generally applicable to companies of the broader public sector.

As long as the Greek government holds, directly or indirectly, at least 51.0% of PPc's share capital, the Group and the Parent Company will, in some respects, continue to be classified as public sector companies in Greece. As public sector companies, they will be subject to certain laws and regulations generally applicable to public sector companies in Greece affecting some aspects of theirr business which do not apply to their current competitors and are not likely to apply to future competitors and which may have a material adverse impact on their results of operations and may also affect their operational flexibility. The Group and the Parent Company cannot provide any assurance that in the future they will not continue to be subject to such laws and regulations.

In addition, certain of the Group's and the Parent Company's operations and some of their commercial decision-making have been and will likely continue being affected by the political and economic objectives of the Greek government which participates in their share capital through Hellenic Republic Asset Development Fund S.A. ("HRADF") and Hellenic Corporation of Assets and Participations S.A. ("HCAP") with a combined shareholding of 51.1%. Being an indirect majority shareholder, the Greek government may determine the Group's and the Parent Company's corporate governance and limit their operational flexibility. Despite the passing of Law 4643/2019 which lifted certain powers of the Greek government and allowed the Group and the Parent Company more flexibility to design their own hiring policies, including the use of incentives to attract executives from the private sector, and to develop their separate procurement methods, and introduced new corporate governance safeguards (such as the reinforcement of the role of their Audit Committee), the Greek Government may still exercise its rights as shareholder to exert influence over the Group and the Parent Company, which ultimately may limit their operational flexibility.

In particular, the Hellenic Republic indirectly exercises its rights as a shareholder in accordance with Greek corporate law and PPC's Articles of Incorporation (introduced pursuant to Presidential Decree 333/2000, as amended and in force). The Hellenic Republic exercises significant influence over the Group and is able to restrict its ability to undertake certain actions, including those which under Greek law and PPC's Articles of Incorporation require a qualified quorum and majority, i.e. a quorum of at least 50.0% (or 20.0% in case of a repeat general meeting) and the approval of two thirds of the shareholders represented in the general assembly, thus enabling HCAP and HRADF, and, indirectly, the Hellenic Republic, to resolve on such agenda issues. These issues include: (i) the change of the Company's nationality, (ii) the modification of the Company's business scope, (iii) the approval of an issue of convertible bonds, (iv) any increase in shareholders' obligations, (v) any increase of the Company's share capital, excluding capital increase through reserves capitalization or if otherwise provided by law, (vi) any change in the manner of distribution of profits, (vii) any restriction or elimination of any shareholders' pre-emption right provided in case of capital increase, not made by contribution in kind, or issuance of convertible bonds, (viii) any merger, division, conversion, revival, extension of duration, or dissolution of the Company, (ix) the granting or renewing of any powers of the Board of Directors in relation to any capital increase or issuance of convertible bond loans, (x) any decrease of the Company's share capital, with certain exceptions, and (xi) the amendment of the respective article of PPC's Articles of Incorporation, or as otherwise provided by the applicable legislation.

PPC's Articles of Incorporation provide that certain decisions submitted to shareholders for a vote are to be determined by a simple voting majority at any general assembly of its shareholders. Decisions subject to a simple majority of votes include: election of members of the Board of Directors and the Chief Executive Officer, the distribution of annual profits and the approval of the annual financial statements. Additionally, regarding the election of members of the Board of Directors, one of the members is nominated by the Minister of Economics to HCAP, and the other members are nominated by a HCAP nominating committee which comprises members of the HCAP board of directors. The controlling shareholder (in addition to the decisions referred to above) may also affect a number of important actions, including amendments to PPC's Articles of Incorporation.

HCAP's and HRADF's control over PPC and its subsidiaries is conducted according to the purposes described above and, within this context, there can be no assurance that the Group will not be subject to influence from the Hellenic Republic in the future to undertake obligations that reflect Hellenic government policies, especially with respect to energy regulation. Complying with such policies could significantly affect the Group's and the Parent Company's operating expenses and capital expenditures, which could in turn have a material adverse effect on their business, results of operations, financial condition, profitability and cash flows.

Licensing Risk.

Mining, generation, distribution and supply of electricity operations require various administrative authorizations, at local, regional and national levels. The procedures for obtaining and renewing these authorizations can be protracted and complex. Furthermore, the conditions attached to obtaining these authorizations are subject to change and may not be entirely predictable. As a result, the Group and the Parent Company may incur significant expenses in order to comply with the requirements for obtaining or renewing these authorizations. Additionally, failure to obtain or renew the necessary licenses and permits might result in interruptions to some of their operations, including also their ability to obtain funding for their activities.

Furthermore, these licenses and permits, once granted, or the existing licenses and permits, once renewed, may, for example, have more stringent environmental conditions that will require the Group and the Parent Company to make additional and possibly unanticipated expenditures, which may have a material impact on financial performance and cash flow. Delays, high costs or the suspension of their industrial activities due to their inability to obtain, maintain, or renew authorizations, may also have a negative impact on the Group's and the Parent Company's business activities and profitability. In addition, they often invest resources on projects or activities prior to obtaining the necessary permits and authorizations, particularly in connection with feasibility studies and environmental studies, it is possible, however, to cancel a project or withdraw from activities if the Group and the Parent Company are unable to obtain the necessary licenses and permits. Any failure to obtain, maintain, renew or extend all the administrative authorizations necessary for the operation of their business and execution of their strategy, could have a material adverse effect on the Group's and the Parent Company's business, strategic and financial planning, results , financial position and cash flows.

In addition, the operations of PPC and HEDNO are regulated by the Energy Markets Law and there is a requirement to obtain a license from RAE. Article 122 et seq. of the Energy Markets Law applies to the operation, legal status and structure of the Distribution Network. These articles set out the relationship between PPC and HEDNO. By virtue of Articles 122 and 126, respectively, the license for exclusive ownership and the license for the operation of the Network have been issued by RAE (decisions no. 82/2014 and 83/2014, respectively). These two licenses restrictively define the competences of each of PPC and HEDNO and their obligations with respect to the Network, as well as their respective rights upon it. As a result, PPC's ownership right (as defined in License 82/2018) is very limited. Judicial decisions have already ruled upon this limited right and have released PPC from any liability for actions and omissions stemming from the management of the Distribution Network. However, there can be no assurance that the implementation of certain provisions of the licenses mentioned above may not have an adverse effect on the Group's and the Parent Company's business, financial position or results.

Health, Safety and Environmental Laws and Regulations.

The Group's and the Parent Company's core operations of electricity generation, electricity distribution and mining are subject to extensive environmental regulation under Greek law, including laws adopted to implement EU Directives and international agreements. Environmental regulations and standards affecting their business primarily relate to air emissions, water pollution and waste disposal. The principal by-products and gases released by their electricity generation activities are sulfur dioxide (SO2), nitrogen oxide (NOX), carbon dioxide (CO_2), and particulate matter. The primary focus of environmental regulation applicable to the Group's and the Parent Company's business is to reduce those emissions.

The Group and the Parent Company may incur significant costs in complying with environmental legislation and regulation, which requires them to implement preventative or remedial measures. Costs of complying with these and other environmental requirements could have a material adverse effect on their business, results, financial position and cash flows. In some cases, environmental issues may require the Group and the Parent Company to restrict or even terminate existing operations or projects. Future laws or regulations may influence their business decisions and strategy, such as by discouraging the use of certain fuels or technologies or requiring them to upgrade or make significant environmental investments or pay for the use of water in hydropower plants and/or thermal power plants and could possibly have a material adverse effect on their business, strategic and financial planning, results, financial position and cash flows.

Due to the nature of the Group's and the Parent Company's operations, they are involved in a number of environmental proceedings that arise in the ordinary course of business. Future related costs as a result of financial penalties, enforcement actions and/or third-party claims for environmental damage and/or insurance cost for environmental liability could have a material adverse effect on their business, results and financial position.

The Group and the Parent Company are also required to obtain environmental and safety permits for their operations from various governmental authorities. Certain permits require periodic renewal or review of their environmental terms as well as continuous monitoring and reporting of compliance with such terms. The Group and the Parent Company cannot give any assurance that they will be able to renew those permits or that material changes to their permits requiring significant expenditures on their end will not be imposed. Violations of applicable environmental laws and regulations or non-compliance with permits, that the Group and the Parent Company hold, could result in shut-downs of their power plants, fines or legal proceedings against them or other sanctions, in addition to negative publicity and significant damage to their reputation. Additionally, other obligations under applicable environmental laws and regulations, including soil decontamination, can also be extremely costly to comply with.

Environmental and health and safety laws are complex, change frequently and tend to become more stringent over time. As a result, the Group and the Parent Company may not at all times be in full compliance with all such applicable laws and regulations. While they have budgeted for future capital and operating expenditures in order to comply with current applicable environmental and health and safety laws, it is possible that any of these laws may change or become more stringent in the future or that new laws may be adopted (by way of example, new EU legislation may be adopted imposing additional capital expenditure requirements on the Group's and the Parent Company's power plants).

Furthermore, new laws may be adopted resulting in even more significant capital expenditure requirements including, but not limited to, complete shutdown of operations (for example, the recently adopted NECP legislation requires the closure of all lignite-based power generation activities). Therefore, costs of complying with current and future applicable environmental laws and obligations arising from past or future releases of, or exposure to, hazardous substances could have a material adverse effect on the Group's and the Parent Company's business, results, financial position and cash flows.

In addition, 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 mines and the decommissioning of mine equipment and facilities. Since they are involved in open pit mining operations, they are required by Greek law to remediate land affected by mining operations and, further, to have in place cash reserves for works relating to open pit mine reclamation. The cost of such works depends on the type of reclamation, rehabilitation or restoration and is subject to periodic review. Furthermore, as an owner and operator of electricity generation and distribution facilities, the Group and the Parent Company 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 their business, results, financial position and cash flows.

Risk associated with a deficit in the Special Account for Renewables.

The Renewables Special Account (ELAPE, per its Greek initials) was established in 1999 as means to support renewable energy generation in Greece. The deficit of the Renewables Special Account, which has arisen due to the account's revenues being insufficient to cover payments to RES at a regulated tariff, created both uncertainty and a market liquidity issue.

Several regulatory interventions for the period 2012-2016 (including, among others, the special solidarity levy and reduction of RES sales prices) sought to achieve a zero deficit for the Renewables Special Account however, in November 2020, the Renewables Special Account recorded a deficit of €430.0 million, mainly as a result of the Covid-19 pandemic and the impact that it had on the ability of consumers to pay their power bills (including the ETMEAR component thereof), the decline of the SMP, which is the wholesale market price of electricity, and the price of CO_2 emission allowances. On December 9, 2020 the Greek government imposed additional measures to fund the account. There is uncertainty as to whether or to what extent such measures may adversely affect the Group's and the Parent Company's results and cash flows and it cannot be precluded that their duration will be extended or that other measures will be put in place to address the deficiency of the Renewables Special Account to the detriment of their business, financial position and results.

Risks associated with the impact from the implementation of the EU Target Model in the wholesale electricity market.

The EU Target Model went live in Greece on November 1, 2020 replacing the pre-existing mandatory pool system. As with all regulatory reforms, and in line with the experience of EU Target Model roll-out in other EU jurisdictions, the impact on the market as a whole and/or on the Group's and the Parent Company's business, market position and results from the implementation of the model as such, or of any subsequent regulatory interventions that may seek to bring about technical or operational improvements on the model's implementation, is uncertain at this stage. Similarly, there is uncertainty as to the impact on their business and results from the process towards market integration with the electricity markets in neighboring countries and the competition the Group and the Parent Company may face as a result of such integration.

Risk from providing Public Service Obligations (PSOs).

Potential changes in compensation rights for the existing PSOs that we provide, or changes in the calculation methodology of such PSO compensation that may result in inability to fully recover their costs, or partial recovery of PSO compensation for previous years, or a potential introduction of new PSOs for which the Group and the Parent Company may not be entitled to full compensation, may have an adverse effect on their costs, financial position, results and cash flows.

Risk of non-compliance with the European Union's General Data Protection Regulation ("GDPR").

The EU's General Data Protection Regulation ("GDPR") became effective on May 25, 2018. The GDPR implements more stringent operational requirements for processors and controllers of personal data, including, for example, expanded disclosures about how personal information is to be used, limitations on retention of information, mandatory data breach notification requirements and higher standards for data controllers to demonstrate that they have obtained valid consent for certain data processing activities. If the Group and the Parent Company fail to maintain compliance with applicable data collection and privacy laws or other applicable data security standards, they could be exposed to administrative sanctions, including reprimands and fines, penalties, restrictions, litigation or other expenses.

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.

Litigations 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 or results or reputation.

In addition, the Group and the Parent Company are subject to laws, rules and regulations designed to protect the public interest, such as public procurement or environmental protection, including on account of the majority shareholder being the Hellenic Republic. Further, they 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 and they only recently introduced a central compliance department with a view to ensuring that their various operating units are in compliance with local, national and supranational laws and regulations.

In the ordinary course of the Group's and the Parent Company's business, from time to time, competitors, suppliers, customers, owners of property adjacent to our properties, the media, activists, and ordinary citizens, raise complaints (even to public prosecutors) about their operations and activities, to the extent they feel that these activities and operations cause or are likely to cause economic or other damage to their interests, businesses or properties or adverse environmental impact in general. In the context of advancing those complaints, these parties often file criminal complaints against the Group and the Parent Company. In this context, reports involving complaints and accusations for allegedly unlawful acts of executives against them usually involve their further investigation by the prosecuting authorities in the so-called preliminary proceedings, which usually ends up in the closing of the investigated case due to lack of conclusive evidence. As a result, the Group's companies and the members of their Board of Directors may have and could be in the future, subject to various criminal or other investigations at various stages of procedural advancement. These investigations and legal proceedings may disrupt the Group's and the Parent Company's daily operations to the extent that the officers and directors involved need to spend time and resources in connection therewith. They may also adversely affect their reputation and cause them to incur significant legal fees, which could in turn have a material adverse effect on their business, financial position or results.

Risks related to the Group's and the Parent Company's financial position, financial results and financing arrangements.

The Group and the Parent Company are exposed to the risk related to the fluctuations of fuel, CO_2 emission rights and electricity prices.

In the ordinary course of business, as a vertically integrated electricity company, 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 commodity price fluctuations. Their generation business is exposed to the fluctuations of natural gas, oil and CO_2 emission rights prices which are traded in international commodity markets. As supplier of electricity, the Parent Company is subject to exposure to increased Greek wholesale prices, which increases the cost for supplying energy to its customers. The Parent Company's exposure to wholesale electricity market risk is determined by its net exposure, i.e. the quantity of energy needed to cover its supply needs that cannot be covered by own electricity production (i.e. its natural hedge) and therefore should be procured in the wholesale market. Hence, any change in both the Group's and the Parent Company's commercial and generation portfolio results in a fluctuating net exposure and consequently, as its supply market share is larger than their generation market share, rising wholesale electricity prices might have a material adverse effect in their results and financial position.

The price of natural gas significantly affects generation costs as well as the price at which the Parent Company purchases wholesale electricity. No assurance can be given that the Parent Company will be able to pass on any increases in fuel prices and/or wholesale power market prices to its customers by increasing tariffs.

While the Group's and the Parent Company's CO_2 emissions have significantly decreased due to the lignite decommissioning plan in progress, they still need to purchase significant quantities of CO_2 emission rights every year and any upward movement of relevant prices could materially, directly or indirectly, affect their financial position, results and cash flows. The exposure to the risk of increasing CO_2 emission rights prices is also linked to the Parent Company's ability to incorporate these increases in its electricity tariffs. While the Parent Company has adopted an automatic mechanism (clause) for passing on increases in the cost of CO_2 emission allowances in certain Low, Medium and High Voltage tariffs, the relevant may not be fully offset.

In order to limit the Group's and the Parent Company's exposure to these market risks, risk management policies providing principles for the hedging of price risk in line with limits and targets assigned by the top management have been adopted. Hedging activities typically entail the use of derivatives instruments aiming at reducing the risk. Nevertheless, exposure to these risks has not been eliminated and to adequately hedge against volatility in natural gas prices and volatility in wholesale power market prices may not be possible, either because of low liquidity in the Forward Power Market recently established in Greece, or because of other reasons. In addition, hedging contracts for the price of electricity, gas and other commodities are available in the market only for limited forward periods, hence not protecting against adverse price movements in the medium-long term. Consequently, significant variations in fuel, CO_2 emission rights and electricity prices, and any relevant interruption in supplies, could still have a material adverse effect on the Group's and the Parent Company's business prospects and results. 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 and therefore could have a material adverse effect on the Group's and the Parent Company's business, results and financial position.

Credit Risk.

With respect to customer payments, the Parent Company has entered into settlement agreements providing for discounts to Low and Medium Voltage customers. Despite this, it continues to experience delays in collecting payments of overdue bills from a large number of Low and Medium Voltage customers, and there is no assurance that settlement terms will be observed by its customers. In particular, the Parent Company's customers' ability to comply with settlement agreements and make timely payments have been, and may continue to be, impacted by general macroeconomic conditions in Greece.

Furthermore, the Parent Company may face additional difficulties or delays in collecting overdue bills from its Low and Medium Voltage customers as a consequence of the inclusion of additional charges in the bills that is legally obliged to collect in favor of third parties. The Parent Company's collection enforcement mechanisms have been and may be further affected by legal or regulatory measures.

The Group and the Parent Company have implemented a number of initiatives to improve collection techniques and reduce provisions for expected credit losses. They have also arranged for securitizations backed by performing and non-performing customer receivables. However, there can be no assurance that these actions will contribute towards the reduction of overdue receivables, or the increase in the collection of overdue payments, if at all. Customers' inability to pay their bills on a timely basis combined with difficulty in collecting the overdue payments may have a material adverse impact on their financial position, results and cash flows.

Volatility in the Greek banking system may impair the Group's ability to obtain financing and increase its cost of debt.

A significant part of the Group's and the Parent Company's credit is provided by the Greek banking sector. The ability of the Greek banks to continue to provide credit to the Group and the Parent Company is dependent, among other factors, on their own capitalization and ability to access international financial markets or receive liquidity support from the ECB or the Bank of Greece. The Greek banking system's ability to seek funding from the international banking system and capital markets may still pose a risk to the Group's and the Parent Company's funding, which could have a material adverse effect on their business, financial condition and results.

<u>In applying certain of the Group's accounting policies, estimates and assumptions are used, some of which may prove to be inaccurate.</u>

In preparing the Group's and the Parent Company's financial statements, Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses. Actual results may ultimately differ from those estimates. The judgments and estimates applied could significantly affect applicable line items in the Group's and the Parent Company's financial statements.

Pursuant to the Group's and the Parent Company's revenue recognition policy, the amount of electricity supplied to Low Voltage customers is estimated on each balance sheet date. Unbilled revenue is estimated using certain assumptions with respect to the quantities of electricity consumed and may differ from actual amounts billed.

Given that the methodologies and assumptions that the Group's and The Parent Company's Management applies to reach estimates are inherently subjective and require a certain degree of judgment, no assurance can be given that the methodologies applied will be accurate or that actual results may ultimately differ from estimates applied.

Cash Flow Risk.

The Group and the Parent Company face cash flow risk, which may result in additional working capital requirements, due to a number of factors relating to their ability to timely collect from their customers, including:

- delays in the payment or non-payment of energy bills, which may increase if economic conditions in Greece deteriorate;
- the obligation to pay the Renewables special levy, the special consumption tax on electricity, as well as VAT when due, irrespective of whether relevant amounts have been collected from the Group's and the Parent Company's customers;
- the burden associated with the collection of taxes and levies that are not related to the sale of electricity such as municipal taxes and levies that are currently collected through electricity;
- the increase of Vulnerable customers, such as families with low income, long-term unemployed, people with special needs and people on life support, who are entitled to lower tariffs; and
- incidents of electricity theft and unauthorized reconnection of electricity supply in cases of electricity disconnection due to customer defaults.

In addition, the Group's and the Parent Company's ability to manage their working capital requirements and cash flow risk depends, in part, on maintaining positive working relationships with their suppliers. If they are unable to maintain current working arrangements with their suppliers, working capital requirements could materially increase and result in increased cash flow risk, which may have a material adverse effect on their business, financial position and results.

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 that could have a significant effect on their cash flows.

<u>The Group and the Parent Company operate in a capital-intensive business sector, and a significant increase in capital costs could have a material adverse effect on their business, financial position, prospects or results.</u>

A significant increase in the costs of or delays in developing and constructing the Group's and the Parent Company's power plants, electricity networks or associated energy facilities or delays occurring after capital has been committed, could have a material adverse effect on their ability to achieve their growth targets and their business, financial position, prospects or results.

Although the Group and the 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 their planned capital expenditures. If the Group and the Parent Company are unable to raise such financing, they may have to reduce their planned capital expenditures. Any such reduction could have a material adverse effect on their long-term business, financial position, prospects or results. Additionally, the Group and the Parent Company may be required to make investments requested by RAE in the Distribution Network, which may result in increased capital expenditure requirements and adversely impact their cash flows.

Credit Rating Risk.

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

The Group's and the Parent Company's ability to access the capital markets and other forms of financing (or refinancing), and the costs associated with such activities, depend in part on their credit rating which is closely related to that of the Greek State as well as to the Greek banking sector's credit rating. The Group and the Parent Company currently expect tooperate with sufficient liquidity to maintain or improve their current credit rating. However, this is dependent on a number of factors, some of which may be beyond their control. If the Group and the Parent Company fail to maintain adequate levels of liquidity or as a result of certain changes in their capital structure, their rating may be downgraded, which could have a material adverse effect on their business, results and financial position.

Risk from tax and other regulations.

The taxation regime for corporations in Greece is frequently revised and the Group's companies may be subject in the future to increased taxation rates. The imposition of any new taxes, royalties or levies or changing interpretations or application of tax regulations by the tax authorities as well as the harmonization of Greek and EU tax law and regulation may result in additional amounts being payable by the Group and the Parent Company, which could have a material adverse effect on their business, results, financial position and cash flows.

Even if the effect of these taxes and levies is passed onto the Group's and the Parent Company's customers, such taxes and levies may impact collection rates for electricity bills, lower the demand for electricity or result in a loss of market share due to competition, all of which will have negative impact on their cash flow. Conversely, if the Group and the Parent Company do not increase their tariffs to match an increase in taxation an adverse impact on their financial results and liquidity may follow. There may also be other new or increased taxes in the future that could increase the Group's and the Parent Company's costs and/or reduce turnover, thereby adversely impacting their business, financial position and results.

Risk from Potential Undertaking of Social Security Liabilities.

Despite the fact that the Parent Company believes it has no obligation under existing laws to cover any future differences between the total income of EFKA and its payment obligations assumed by the Hellenic Republic relating to PPC S.A. Personnel Insurance Organization, 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.

Interest rate risk and foreign currency risk.

The Group's 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 rates and/or foreign currency exchange rates affecting their debt portfolio. As of December 31st 2020 no derivative transactions exist for loans or debt hedging

Furthermore, 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 whose price is calculated based on the oil price. As oil prices are expressed 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, on a case-by-case basis and according to the prevailing market liquidity circumstances, hedging transactions for this risk. It should be noted that any undertaken hedging transactions may not provide full or adequate protection against these risks.

Risk relating to impairment of assets.

The Group and the Parent Company are exposed to risks related to the value of their participation in the share capital of subsidiaries and associates and the value of their property, plant and equipment, including the effects from a significant change and/or non-recoverability of the value of their participation in the share capital of their subsidiaries and associates, as well as from a significant change in the fair value of the property plant and equipment in the context of the periodic reassessment.

In the future, the value of the Group's and the Parent Company's participation in the share capital of subsidiaries and associates and the value of their property, plant and equipment may be significantly impaired due to their earlier retirement or loss of competitiveness due to regulatory or policy changes or other such circumstances beyond the Group's and the Parent Company's control.

Balances and Transactions With Related Parties.

PPC balances with its subsidiaries as of December 31st, 2020 and December 31st, 2019 are as follows:

	December 31, 2020 Amounts in '000€		December 31, 2019 Amounts in '000€	
Subsidiaries	Receivables	(Payables)	Receivables	(Payables)
PPC Renewables S.A.	1,275	–	1,420	–
HEDNO S.A.	496,022	(681,929)	309,426	(562,819)
LIGNITIKI MEGALOPOLIS S.A..	51,957	(709)	69,226	(1,309)
LIGNITIKI MELITIS S.A.	30,002	–	39,000	–
PPC Finance Plc.	–	(37)	–	(57)
PPC Elektrik	649	–	645	–
PPC Bulgaria JSCO	–	(1,537)	2	(1,808)
PPC Albania	–	–	230	(20)
EDS AD Skopje	395	(142)	386	–
TOTAL	**580,300**	**(684,354)**	**420,335**	**(566,013)**

Within 2020, the Parent Company received a dividend from the subsidiary company HEDNO S.A. amounting to Euro 23 mil., deriving from profits of the year ended December 31st, 2019.

The above mentioned balances of receivables and payables with the subsidiary PPC Finance Plc relate to its management costs which eventually burden the Parent Company.

In July 2019, the Parent Company's Board of Directors approved the corporate transformation of the subsidiary EDS DOOEL Skopje from Single-Member LTD to a Société Anonyme (JSC).

It also approved the payment of Euro 1,800,000 as initial share capital in order to cover the company's negative equity for the year 2018, to pay the amount required by the Law of Northern Macedonia for the transformation of the company into a Société Anonyme and to create positive equity for the commencement of its operation as an S.A. The above payment took place on August 7th, 2019, while on January 16th, 2020, the transformation of the subsidiary company into a Société Anonyme with a new distinctive title EDS AD Skopje was approved by the competent local authorities.

On December 31st, 2020, the Parent Company recognized a provision of expected credit losses on trade receivables for the subsidiaries "Lignitiki Megalopolis S.A." and "Lignitiki Melitis S.A." of Euro 51.2 mil. (31.12.2019 : Euro 65.6 mil. and Euro 30 mil. (31.12.2019: Euro 38.8 mil) respectively.

On March 19th 2021, the Parent Company signed a loan agreement with 100% subsidiary Energy Deliver Solutions (AD) JSK Skopje amounted to Euro 3.7 mil. and interest 3.8% maturing on June 30th, 2021 which was drawn by the subsidiary the same date.

PPC's transactions with its subsidiaries for the year ended December 31st, 2020 and December 31st, 2019, respectively, are as follows:

	December 31, 2020 Amounts in '000€		December 31, 2019 Amounts in '000€	
Subsidiaries	Invoiced to	Invoiced from	Invoiced to	Invoiced from
PPC Renewables S.A.	2,313	–	2,106	–
HEDNO S.A.	1,673,252	(1,791,851)	1,891,133	(2,135,018)
LIGNITIKI MEGALOPOLIS S.A.	47,909	(993)	112,372	(779)
LIGNITIKI MELITIS S.A.	28,901	–	45,526	–
PPC Finance Plc	–	(38)	–	(6,473)
PPC Elektrik	289	(6,333)	–	(3,119)
PPC Bulgaria JSCO	–	(34,056)	115	(44,449)
PPC Albania	–	–	–	(62)
EDS AD Skopje	76	(547)	1,076	(3,056)
TOTAL	**1,752,740**	**(1,833,818)**	**2,052,328**	**(2,192,956)**

Guarantee in favour of the subsidiaries.

As of December 31st, 2020, the Parent Company has provided a guarantee to its subsidiary PPC Renewables S.A. for a total credit line of up to Euro 8 mil., through overdraft facilities, out of which PPC Renewables S.A. has used an amount of Euro 465 thousands relating to letters of guarantee.
As of December 31st, 2020, the Parent Company has provided a guarantee to its subsidiary Energy Delivery Solutions AD (EDS) of Euro 17.1 mil., for loans concerning working capital. EDS Group drew an amount of Euro 11.3 mil.

As of December 31st, 2020 the Parent Company has provided a guarantee for EDS's credit lines with the electricity suppliers, Energy Financing Team AG - St Gallen and Energy Wind doo Strumica amounting to up to Euro 4 mil.

Transactions and balances with other companies under Greek State's participation.

The following table presents transactions and balances with companies Hellenic Petroleum ("ELPE") and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively into which the Greek State also participates. Additionally, transactions and balances with DAPEEP S.A., HEnEx S.A., ENEXCLEAR S.A., IPTO S.A.and LARCO S.A. are presented below:

	01.01.2020 – 31.12.2020 Amounts in '000€		01.01.2019 – 31.12.2019 Amounts in '000€	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
ELPE	40,832	(80,213)	50,066	(159,346)
DEPA	357	(219,790)	330	(378,467)
DAPEEP S.A.	242,434	(550,891)	230,830	(309,685)
HEnEx S.A.	589,785	(1,230,316)	1,104,976	(2,459,270)
IPTO S.A.	196,593	(399,050)	169,703	(528,379)
ENEXCLEAR S.A.	348,398	(435,712)	–	–
LARCO S.A.	33,833	(3,146)	61,149	(2,929)

	December 31, 2020 Amounts in '000€		December 31, 2019 Amounts in '000€	
	Receivables	(Payables)	Receivables	(Payables)
ELPE	23,382	(21,499)	15,968	(24,996)
DEPA	–	(30,108)	–	(19,603)
DAPEEP S.A.	111,873	(430,562)	64,954	(382,174)
HEnEx S.A.	5	(8)	20,313	(61,197)
IPTO S.A.	154,375	(269,000)	208,774	(388,194)
ENEXCLEAR S.A.	8,552	(9,594)	–	–
LARCO S.A.	362,986	–	353,336	–

PPC's total receivables from LARCO S.A., relating to electricity bills, are fully covered by a provision.

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 balances and transactions for the years 2019 -2020 with HCAP S.A. and the companies, in which HCAP S.A. participates, are presented below:

	GROUP December 31, 2020 Amounts in 000'€		PARENT COMPANY December 31, 2020 Amounts in 000'€	
	Receivables	(Payables)	Receivables	(Payables)
Athens International Airport S.A.	976	(22)	951	(22)
ELTA S.A.	5,004	(3,829)	–	(3,533)
ELTA Courier S.A.	1	(91)	–	(52)
EYDAP S.A.	3,337	(42)	3,337	(2)
ETVA Industrial Parks S.A.	198	(24)	198	(19)
Thessaloniki International Fair S.A.	7	–	7	–
Odikes Syngkoinonies S.A.	6,546	(2)	6,546	–
Public Properties Company S.A.	4,758	–	4,758	–
Urban Rail Transport S.A.	42,025	–	42,025	–
C.M.F.O. S.A.	10	–	10	–
O.A.S.A. S.A.	1	–	1	–
E.Y.A.TH. S.A.	2,193	–	2,192	–
Management Industrial Park Kastoria	1	–	1	–
AEDIK	2	–	2	–
EYDAP Nison	5	–	5	–
Marina Zeas	1	–	1	–
Hellenic Saltworks S.A.	2	–	2	–
TOTAL	**65,067**	**(4,010)**	**60,036**	**(3,628)**

	GROUP December 31, 2019 Amounts in 000'€		PARENT COMPANY December 31, 2019 Amounts in 000'€	
	Receivables	(Payables)	Receivables	(Payables)
Athens International Airport S.A.	1,962	(54)	1,962	(31)
ELTA S.A.	6,538	(4,682)	–	(3,939)
ELTA Courier SAE	–	(192)	–	(166)
EYDAP S.A.	3,523	(14)	3,523	(3)
ETVA Industrial Parks S.A.	214	(33)	214	(28)
Odikes Sygkinonies S.A.	3,951	(3)	3,951	–
Public Properties Company S.A.	4,491	–	4,491	–
Urban Rail Transport S.A.	24,441	–	24,441	–
C.M.F.O S.A.	60	–	60	–
O.A.S.A. S.A.	2	–	2	–
E.Y.A.TH S.A.	2,559	–	2,558	–
Hellenic Saltworks S.A.	19	–	19	–
TOTAL	**47,760**	**(4,978)**	**41,221**	**(4,167)**

The transactions made by the Group and the Parent company with HCAP S.A.and the companies in which participates for the years ended December 31st 2020 and December 31st 2019 are as follows:

	GROUP 01.01.2020 – 31.12.2020 Amounts in '000€		PARENT COMPANY 01.01.2020 – 31.12.2020 Amounts in '000€	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
HCAP S.A.	16	–	16	–
Athens International Airport S.A.	4,311	(113)	4,095	(113)
ELTA S.A.	18,068	(20,114)	23	(15,030)
ELTA Courier S.A.	7	(181)	6	(90)
EYDAP S.A.	17,272	(167)	17,157	(126)
ETVA Industrial Parks S.A.	941	(34)	940	(31)
Thessaloniki International Fair S.A.	582	(22)	582	(20)
Odikes Syngkoinonies S.A.	2,861	(14)	2,861	–
Public Properties Company S.A.	1,687	(1)	1,687	(1)
Urban Rail Transport S.A.	17,501	(1)	17,501	–
C.M.F.O. S.A.	1,038	–	1,038	–
O.A.S.A. S.A.	36	–	36	–
Central Market of Thessaloniki S.A.	91	–	91	–
E.Y.A.TH. S.A.	11,681	(4)	11,666	–
Hellenic Saltworks S.A.	217	–	217	–
Management of Industrial Park of Kastoria	6	–	6	–
GAIA-OSE S.A.	6	–	6	–
A.E.DI.K	17	–	17	–
Social Feeding Program	–	(3)	–	(3)
TOTAL	**76,338**	**(20,654)**	**57,945**	**(15,414)**

	GROUP 01.01.2019 – 31.12.2019 Amounts in '000€		PARENT COMPANY 01.01.2019 – 31.12.2019 Amounts in '000€	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
HCAP S.A.	13	–	13	–
Athens International Airport S.A.	5,295	(192)	5,095	(192)
ELTA S.A.	21,435	(22,456)	170	(16,395)
ELTA Courier S.A.	8	(217)	8	(131)
EYDAP S.A.	16,284	(161)	16,155	(119)
ETVA Industrial Parks S.A.	1,031	(40)	889	(36)
Thessaloniki International Fair S.A.	823	(84)	823	(81)
Odikes Syngkoinonies S.A.	2,952	(11)	2,951	–
Public Properties Company S.A.	1,938	(1)	1,938	(1)
Urban Rail Transport S.A.	17,318	(369)	17,318	(368)
C.M.F.O. S.A.	968	–	968	–
O.A.S.A. S.A.	21	–	21	–
Central Market of Thessaloniki S.A.	229	–	229	–
Hellenic Casino of Parnitha S.A.	263	–	263	–
E.Y.A.TH. S.A.	10,957	(5)	10,924	–
Hellenic Saltworks S.A.	198	–	198	–
Management of Industrial Park of Kastoria	3	–	3	–
GAIA-OSE S.A.	1	–	1	–
A.E.DI.K	14	–	14	–
TOTAL	**79,751**	**(23,536)**	**57,981**	**(17,323)**

Management remuneration.
Management Members remuneration (Board of Directors and General Managers) for the year ended December 31st, 2020 and December 31st, 2019 is as follows:

	GROUP Amounts in '000€		PARENT COMPANY Amounts in '000€	
	2020	2019	2020	2019
Remuneration of the Board of Directors' members				
- Remuneration of executive members	821	433	438	80
- Remuneration of non-executive members	294	227	–	–
- Compensation / Extraordinary fees and other benefits	280	440	155	159
- Employer's Social Contributions	249	200	80	49
	1,644	**1,300**	**673**	**288**

	GROUP Amounts in '000€		PARENT COMPANY Amounts in '000€	
	2020	2019	2020	2019
Remuneration of the Deputy Chief Executive Officers and General Managers				
- Regular remuneration	1,375	681	1,049	514
- Employer's Social Contributions	296	180	196	136
-Compensation / Extraordinary fees	141	4	–	4
	1,812	**865**	**1,245**	**654**
TOTAL	**3,456**	**2,165**	**1,918**	**942**

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. It also does not include the benefit of the 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.

NON-FINANCIAL REPORT

Business Model.

PPC was established in 1950 as a public sector enterprise, tasked with the responsibility of providing electricity to the entirety of the country. Since its transition to a S.A. and the listing of its shares in the Stock Exchange, its operation has been governed by the law on societes anonymes. However, the influence of the State on PPC remains significant, especially regarding its public service obligations which have been assigned to PPC.

As a result, PPC is subject to various laws and regulations that apply to businesses in the wider public sector. For as long as the Greek State holds, even if indirectly, 51% of its share capital, PPC will continue to be regarded as a Company of the Greek Wider Public Sector as regards some sectors. Consequently, its activities will continue to be subject to laws and regulations applicable to companies in the Greek Wider Public Sector and affect specific procedures.

PPC is being transformed from a vertically integrated company of Basic Business Units, as it was in the early 2000s (Mines, Generation, Transmission, Distribution, Supply), into a Group of Companies, with PPC at its core, which will operate in the Supply and Power Generation from conventional forms of energy (lignite, thermal, hydro energy and natural gas) and the subsidiaries DEDDIE (Distribution) and PPC Renewables as the main agent of transition to power generation through Renewable Sources of Energy.

More in particular, the company is at the center of the energy transition, which is encapsulated in the threefold: decarbonization, digitalization and decentralization. The development of renewable energy sources, the implementation of energy saving measures and the significant progress of the electrification and the digitalization of the economy constitute the main pillars for the promotion of the energy transition and the reinforcement of the socio-economic development.

In this context, PPC considers that it will safeguard its sustainable development, in order to achieve its goal of maximizing its value, while always taking into consideration its social role in the National Economy.

At the same time, the Company shall place great emphasis on its customers, developing and operating in new markets of energy products, with the medium/short-term goal of providing a wide range of products that will meet all customers' needs and requirements.

More specifically, PPC's new business plan outlines the Company's medium-term goals and is based on three pillars:

1. Implementation of the "Green deal" in power generation, by accelerating the decommissioning of lignite units and respective mines and emphasizing in the uptake of RES as the new primary power generation technology. The detailed decommissioning plan includes the decommissioning of lignite units with installed capacity of approximately 3.4 GW until 2023. The decommissioning plan shall be carried out with full respect to PPC's employees, local communities and the environment. The plan for the new PPC includes significant investments in RES aiming at ensuring additional installed capacity of more than 1GW until 2024, which will be achieved through organic growth and numerous partnerships as well.
2. Digitalization and operational efficiency for the achievement of cost-reduction and revenue-increase synergies, by applying new technologies across sectors, such as:
   - Digital development of PPC through models of process digitalization and digital transformation.
   - Use of technology to ensure information and network security of the company as a Critical National energy infrastructure, based on best practices and safeguarding in a responsible way the natural persons involved, such as customers, and the society as a whole.
   - Enhancement of PPC human resources digital culture, focusing on its particular characteristics, the conditions under which it operates, the flexible and modern functionality and the required digital cooperation.
3. Expansion in new value-added activities and products with a customer-centric approach, both in the retail electricity market and in new business sectors. For example, priority is given by PPC to the development in the most efficient way of the necessary infrastructures for the electromobility of transport. A rapid increase in the number of electric vehicles is expected at international level, due to the fact that their cost is expected to approach the cost of conventional vehicles over the next few years. PPC will effectively contribute to the increase of electric vehicles in our country, investing in the necessary infrastructure and more in particular in the installation of more than 1,000 charging stations over the next few years, while the medium-term goal for PPC is to install more than 10,000 charging stations all over Greece.

The Company's organizational structure, at the level of basic Departments, was completed within 2020 in order to meet the aforementioned priorities, while within 2021 the establishment of all necessary Departments, as well as the internal structure thereof will be finalized.

In this new era for PPC, its strategy could only be grounded in the principles of the "Creating Shared Value" approach, in other words on the basis of the Sustainable Development which aims at creating shared value among companies, societies, people and environment. To this end, PPC approaches Sustainable Development in the light of its business model and thereby of its new strategic orientation.

In this context, the company in compliance with international requirements (Bloomberg 2015, creation of the TCFD by the Financial Stability Board) initiated the transition process from the current model of corporate governance GRC (Governance, Enterprise Risk, Compliance) to the new model ESG (Environment Social Fovernance). Specifically, based on the TFCD (Taskforce for Climate-related Financial Disclosure) guidelines, the company assesses the risks to be faced in the context of its activities due to climate change and examines ways to deal with them.

Key resources

Financial Capital
Use of financial capital for investment in the Group's activities.

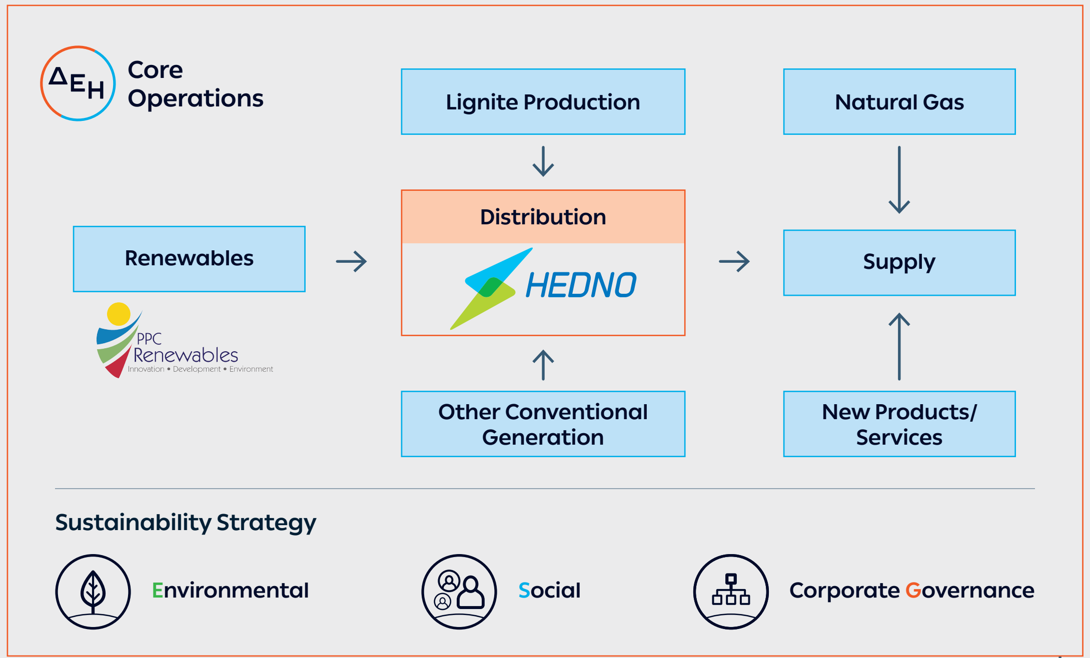
Manufactured Capital
Investment in new infrastructure and the upgrade of generation capacity.

Intellectual Capital
Investment in the development of low carbon technologies, innovative renewable technologies and new products/services.

Human Capital
Development of qualified personnel, for the efficient operation of companies.

Natural Capital
Use of natural resources, mainly lignite, and renewable energy sources to generate electricity.

Social and Relationship Capital
Dialogue and cooperation with the stakeholders, in order to ensure the Group's efficient operation and society's support.



Financial Capital
Revenues, Salaries and employees' benefits paid, taxes paid.

Manufactured Capital
Modernized infrastructure for electricity supply and increasing the efficiency of natural resources usage.

Intellectual Capital
Improving provided services and developing new services/products.

Human Capital
Providing employee training and development, safeguarding health, safety and wellbeing of employees and partners.

Natural Capital
Improving energy efficiency through the use of new technologies and promoting renewable energy sources, combating climate change and reducing greenhouse gases and other air emissions.

Social and Relationship Capital
Social contribution/sponsorships – Relationships/dialogue with local communities, employee volunteering initiatives.

Value creation

PPC'S Approach-Policies and Results.

The strategic objective of PPC is to ensure its sustainable operation and development, while satisfying the requirements of all stakeholders, in a balanced manner, providing innovative and high quality services to its customers, excellent workplace for employees, relationships of mutual benefit to suppliers and partners, economic value to its shareholders, respect and protection of the environment, economic growth and prosperity to society.

PPC seeks to strengthen its economic value in the long-term through the appropriate corporate governance, acting with transparency in all procedures and actions of its bodies. The Administration of the Company participates in the identification of the risks and material topics of sustainable development, aiming to deal with them promptly and efficiently. The Corporate Affairs and Communications Department is responsible for the planning, coordination, monitoring and disclosure of the Company's sustainable development actions.

PPC publishes the Report on Sustainable Development (former Report on Corporate Social Responsibility and Sustainable Development), which is based on the Global Reporting Initiative (GRI) and is structured around the pillars of ESG (Environmental, Social and Governance) and includes Corporate Social Responsibility data.

At the same time, the Management is in the process of setting up a strategy and preparing an action plan for sustainable development based on Creating Shared Value – CSV, aiming at fully integrating them in the business strategy, the operating model, the value chain and the action plan of PPC, as well as of the entire Group.

The Company has Codes, Policies and procedures in place for managing corporate risks, compliance and sustainability issues, which are subject to periodic review, in order to meet the relevant best practices. Finally, PPC has developed systems of quality, health and safety, and environmental management, which have been certified respectively in accordance with ISO 9001, OHSAS 18001 (or ISO 45001 as per case) and ISO 14001, having in view its optimal operation.

Environment.

PPC's environmental strategy has been in line with the ambitious medium and long-term objectives of the European Union and Greece for climate neutrality by 2050. To this end, PPC's new Business Plan promotes, inter alia, the direct implementation of the «Green deal» in power generation by:

- Accelerating the decommissioning of lignite units and respective mines.
- Highlighting RES as the new dominant energy generation technology.
- Taking a leading role in the development of electromobility in Greece.

Moreover, the protection of Biodiversity is Integrated in the Company's planning in the areas where PPC is active, contributing thus to the EU's efforts to halt the depletion of biodiversity and restore ecosystems.

In particular, within 2020 and in the context of environmental upgrade:

Efforts continued for the modernization of the Company's generation capacity. Specifically:

- The operation of the lignite Units I and II of Amyntaio TPP (300 MW each) was permanently shut down, while other lignite Units (Units III and IV of Kardia TPP) with total capacity 600 MW limited their operation exclusively for district heating schemes and peak load coverage, until their final decommissioning in 2021.
- The construction of the new state-of-the-art lignite Unit V of the Ptolemaida TPP was continued, the operation of which will allow the decommissioning of old Units of higher capacity and will ensure the district heating of the town of Ptolemaida.
- The partnership with the European Bank for Reconstruction and Development continued for the "Development of an Information Disclosure Plan according to the guidelines outlined by the Task Force on Climate-related Financial Disclosures (TCFD)".
- The works concerning the construction and operation of new hydroelectric power plants were continued.
- The investments for the environmental upgrade of the Units of Agios Demetrios TPP were continued, aiming at their being adopted to the Best Available Techniques and at reducing nitrogen oxide, sulfur dioxide and dust emissions.
- The mining (works of lignite withdrawal) at Amyntaio Mine was permanently interrupted. At the same time, the works of preparation for uses after the withdrawal of lignite have started.
- Soil rehabilitation projects, such as tree plantings, agricultural crops, etc., at the lignite mining areas were implemented further.
- Furthermore, in 2020 the Company covered the total energy consumption of its Headquarters and the Commercial Activities facilities all over the country with Green Pass guarantees of origin from its hydroelectric power plants. The Green Pass guarantees of origin which were available to its customers in 2020 were 1.5 TWh.

Energy-saving actions were implemented, such as:

- Implementation of the Energy Management System ISO 5001:2018 by which the Support Operations Division (SO/Di) has been certified through the Real Estate & Facilities Management Department (REFMD) for energy saving in selected buildings of PPC S.A. on: 1) Ag. Konstantinou & Geraniou street – Athens, 2) 32 Arachovis street – Athens, 3) 4 Alopekis street- Athens and 4) 107 3rd Sepremvriou street – Athens.
- Fundamental energy upgrade of PPC S.A. buildings in the context of their renovation during the last years: a) on Arapaki street in Kallithea and b) on Pratinou street in Pangrati.
- A leasing agreement for the former military camp "ANXH PLESSA MICHAEL" was signed between the National Defense Fund and PPC. This property is located on 211 Mesogeion Avenue. On this land the new model Headquarters Building will be constructed to house the central services of the Company. The new headquarters building, to be certified according to LEED, will be designed to be energy efficient and bioclimatic, marking the clear orientation of the Company towards the new era of climate neutrality.
- The effort of developing and certifying the environmental management systems according to ISO 14001:2015 was continued and reinforced in the Company's generation activities. In particular:
- The Environmental Management Systems of the Thermal and Hydroelectric Power Plants, of Skyros Local Power Plant, as well as of the activities of PPC's Western Macedonia Lignite Centre were successfully inspected by Independent Certified Bodies according to ISO 14001:2015.
- For the first time the Environmental Management Systems at the Autonomous Power Plants of Chios, Kos, Karpathos, Samos and Lymnos were successfully certified according to ISO 14001:2015.
- The procedure for the development and implementation of the Environmental Management Systems in accordance with ISO 14001:2015 is in progress at the South Rhodes Thermal Power Plant (Kattavia TPP).
- The validity of the certificates according to ISO 14001:2015 of the TPPs and the HPPs will expire by the end of 2021. For this purpose, an open tendering procedure was carried out in order to select the Body/Bodies which will conduct certification/re-certification audits of the Environmental Management Systems of the said Power Plants, according to the said Standard.
- The West Macedonia Lignite Centre is certified according to the Energy Management Standard ISO 50001.

Labor issues.

PPC recognizes that its human capital is the most valuable asset to the Company, to the extent that its employees are responsible for delivering results and developing the Company's core competencies and competitive advantages.

PPC implements responsible human resources management practices, ensuring a modern workplace of equal opportunities. It is committed to safeguarding the health and safety of its employees by implementing appropriate Occupational Health and Safety Management Systems and carrying out relevant training programs.

PPC's Staff Regulations govern, among others, employees' rights and responsibilities, employment contract terms, working relationships and disciplinary procedures.

The Company's recruitment policy is reshaped in order to be in line with Law 4643/2019:
- The recruitment of permanent personnel is carried out through a public notice of vacancy including, inter alia, the number per category and specialty of the personnel to be recruited, the required qualifications, the selection criteria and the credit point awarding system in compliance with the principles of transparency, meritocracy and equality, according to the Company's needs and internal procedures.
- The recruitment of temporary personnel is carried out in order to meet temporary or seasonal needs upon decision of PPC's Chief Executive Officer. The said personnel signs a fixed-term employment contract which cannot exceed eight (8) months within a total time period of twelve (12) months.
- Moreover, provision is made for the recruitment of relatives of deceased employees (work-related fatalities), as well as coverage of vacancies by members of large families, people with disabilities and their relatives.
- During the three-year period 2018-2020, 5 relatives of deceased employees in work-related accidents were hired by the Company.
- As of 31.12.2020, the number of employees with disabilities, employees with large families and the relatives of the employees with disabilities recruited was 180, 214 and 86 respectively.
- In line with L. 4643/2019, the Company established an executives' recruitment procedure (at the level of Assistant Directors or Heads of Units and above).
- PPC has a Training Management System for identifying and evaluating its educational needs, designing training courses, selecting trainees and instructors as well as organizing, implementing and evaluating training projects (training cycle).
- The members of the Board of Directors, its Committees as well as the Company's Executives are remunerated based on the relevant Company's Remuneration Policy (which is posted on the Company's website).
- The Company implements a new evaluation system which includes bar scales, weighting criteria, links between assessed behaviors and the Company's strategy and discloses to employees their assessment outcomes.
- In addition, the Company provides additional benefits to employees, such as a group health/life insurance, a subsidy for nursery care costs and a subsidy for educational purposes (e.g. pursuit of postgraduate qualification).

PPC S.A. considers the health and safety of its employees of utmost importance. PPC's Occupational Health and Safety Policy (posted on the Company's website) aims at outlining all necessary measures and providing accessibility to all the means and resources necessary to safeguard the physical and mental health of its employees. The Occupational Health and Safety Department, which is responsible for addressing these issues, has been awarded the ELOT EN ISO 9001 certificate for its Quality Management System. In addition, it holds a license as an External Protection and Prevention Service Provider, with the ability to provide protection and prevention services to customers inside and outside the PPC Group.

The Company employs a significant number of occupational physicians, safety technicians, nursing staff and auditing physicians. Its priority is to cultivate mindset focused on safety at work. It is reported that staff emergency preparedness training, safety training programs, measurement of harmful factors in the workplace and occupational risk assessment studies are conducted at the Company's work areas.

The Company provides psychological and social worker services to its employees and shows great awareness of the timely information and taking of measures in the event of epidemic viruses. By way of example, preventive vaccination of its employees in PPC Stores for the seasonal influenza 2019-2020, immediate response to the pandemic by means of providing information and instructions about Covid-19 in early 2020, following its outbreak in China, integration of legal provisions on temporary measures taken by the State due to the pandemic, as well as additional measures such as body temperature measurement of the personnel and third parties, diagnostic testing for Covid-19 at the expense of PPC, immediate tracing of suspicious cases of virus infection and non-routine inspections for observance of measures.

In addition, the Company's policy towards its contractors/subcontractors provides for the mandatory inclusion of general and special terms in the contracts signed with contractors/subcontractors, such as keeping a list of the personnel records, obligation for the contractor to provide its staff with all appropriate personal protective equipment depending on the work performed, and contractor's compliance with labor and insurance legislation, etc. PPC reserves the right to send a copy of the Contract, as well as the details of the contractor's staff to the Hellenic Labor Inspectorate and to the Single Social Security Entity (EFKA), in order to verify the strict adherence to the Labor and Insurance legislation.

Respecting Human rights.

PPC respects the protection of human rights and strictly condemns child labor, forced and compulsory labor, as well as all forms of discrimination. The respect and protection of human rights in the workplace primarily concerns:
- Providing equal opportunities in the recruitment process (L. 4643/2019, etc.), placement, training, remuneration and promotion within the Company (Code of Conduct § 1 and 2).
- Ensuring the health and safety of its employees (PPC Health and Safety at Work Policy and Code of Conduct § 3) and its contractors' employees (Management Decisions).
- Compliance with applicable legislation on remuneration, working hours, overtime and allowances for PPC's management, executives and staff (Remuneration Policy of Board Members and its Committees, and the Recruitment and Remuneration Policy of Corporate Executives, PPC Staff Regulations, PPC enterprise-specific collective labor agreement, etc.).
- Freedom of association and collective bargaining (collective labor agreements, etc.).
- Refraining from the employment of individuals below 18 years of age.
- Condemning discrimination, harassment, offensive or inappropriate behavior, unfair treatment or reprisals of all kinds (PPC Staff Regulations, Chapter D article 19, article 26 (3), Code of Conduct: § 13).
- Ensuring a work-life balance for its employees (PPC Staff Regulations, Collective Labor Agreements, Management Decisions, etc.).
- Providing incentives to stimulate enhanced employee performance, increase productivity and reduce absenteeism (CEO Decision).

With regard to the absence of discrimination in human resources development, it is noted that:

- In 2014, the share of women in the staff of the Company was 29%, in 2020 it was 38%, showing a 31% increase.
- In 2014, women accounted for 31.5% of middle management staff, while in 2020 the figure was around 41%.
- In 2014, 82% of men graduates were in administrative positions, while women accounted for 62%. In 2020, 46% of women graduates are in administrative positions while men account for 46%.
- In 2014, women held 17% of the Company's management positions while in 2020 they accounted for 26%, i.e. an increase of 53% in these positions.

The percentage of women out of the total graduates from which the management of the Company is derived is about 35%.

The employees participate in various labor unions with which there is a two-way communication with the Management of the Company. Basic human resources arrangements are the primary concern of consultations between the Company's Management and the unions. Within the Company there are two Federations (General Federation of PPC Electricity Sector Personnel and Electricity Industry Workers' Federation) and 30 other trade unions.

The union-workers are protected under relevant legislation (with regards to transfers and dismissals).

Labor union actions are facilitated through appropriate granted permits, in compliance with the relevant legislation and the enterprise-specific collective labor agreement.

Enterprise-specific collective labor agreements are signed, usually with a 3-year duration, following collective bargaining.

Fighting corruption and bribery.

It is crucial for the Company to comply with the law and respect the principles of the PPC Staff Regulation and the PPC Code of Conduct. In order to ensure control of and compliance with the above, PPC has established internal procedures and organizational structures such as the Internal Audit Department and the Compliance Division and together with the Risk Management Department it has set up this way an organizationally comprehensive corporate Internal Audit System. Furthermore, the Company through the Compliance Department has proceeded with the assistance of a consultant of recognized standing to the drafting of a "Business Ethics and Compliance Program", which contains the updating of existing or the development of new policies/procedures, in accordance with the best international practices, principles and rules, as well as guidelines for their effective implementation. Priority will be given to the development of policies and procedures with regard to issues of corruption, bribery, conflict of interest, the Code of Conduct of the Company and whistleblowing.

All cases of corruption which come to PPC's attention, either as a result of complaints or through inspections carried out by a Supervisor/Department and/or the Internal Audit Department, are fully investigated and subsequently disciplinary measures are taken against the employees, in accordance with Chapter VI of the PPC's Staff Regulation. In most cases, given the significance of the disciplinary offences imposed on employees involved in such cases, the aforementioned disciplinary cases are forwarded from the CEO to the First Instance Disciplinary Board, which can impose any of the sanctions specified in articles 26 and 32 of the PPC Staff Regulation. Cases of misconduct which constitute criminal offenses are referred to the appropriate judicial authorities.
The Company takes all appropriate measures, in accordance with the provisions of L. 4557/2018, as applicable each time, with regard to the prevention and suppression of money laundering and financing of terrorism. To this end, it has prepared and is currently subject to approval by the competent bodies of the Company an AML Policy to be implemented exclusively where the Company conducts wholesale transactions or occasional transactions in cash, or concludes futures contracts or options, on condition that the aforementioned transactions amount to at least ten thousand (10,000) euro, independently of whether it is in one single transaction or in more than one which appear to be linked.

Furthermore, it has introduced in its institutional framework (Code of Conduct, Standards of Contract Documents, etc.) and applies, provisions concerning:

- Transparency (Code of Conduct: § 9).
- Corruption (Code of Conduct: § 10; PPC Staff Regulations: articles 26 and 32).
- Fraud (Code of Conduct: § 12).
- Conflict of interest (Code of Conduct: § 16).
- It is typical practice by the Board of Directors at the beginning of each meeting to submit a statement stating no-conflict of interest PPc (Regulation of Operations: article 6).
- Exclusion from contracts of economic operators who have either been convicted by an irrevocable judgment of an offense of corruption- bribery, involvement in a criminal organization, committing terrorist offenses, child labor, money laundering and fraud, or have been penalized for labor law violations (PPC BoD Decision 5/17.01.2019: «Approval of Standard Documents for the Contracting of Works, Supplies and Services, in accordance with L. 4412/2016, and relevant provisions»), article 13 of the Regulation on Works, Supplies and Services of PPC (Exclusion of Economic Operator): PPC BoD Decision 53/19.05.2020 "Approval of the Regulation on Works, Supplies and Services of PPC S.A.", pursuant to the EU and the national legislation (Directive 2014/25/EU, Law 4412/08.08.2016 and law 4643/03.12.2019)").

Social Contribution.

For the Company, contribution to local communities is inextricably linked to its business activities. To this end, it implements significant programs and actions targeted towards the societies in which it operates and the wider community. Its valuable social work includes a series of activities developed over time that relate to sports, culture, health and education. Detailed information-actions on the Company's social contribution are included in the 2019 Sustainable Development Report, which is available on the Company's website. For the year 2020 the Report will be posted in the second half of 2021 on the Company's website.

Customer-centric approach – Protection of vulnerable customers.

In recent years, PPC has set as one of the main objectives of its commercial policy a customer-centric approach, the optimal and quality customer service and the protection of the socially disadvantaged individuals. In 2020, PPC presented its new Corporate Identity, entering into a new era with a modern image and with respect for its History. The change of its logo highlights its renewed business profile with a shift to Renewables, digital transformation and electromobility promotion.

As part of its responsibility to its customers and the commitments it has made at the European and domestic level, PPC is undertaking organizational changes to transform its commercial policy and develops a new, modern network of PPC Stores. In this context, the Company decided to extend opening hours until 20.00 in 24 stores. Moreover, it put into operation the online appointment booking service in most of its stores across the country. For the first time in 2020 it developed new products which had great appeal to its customers. In parallel, it improved communication with its customers through a modern call center, offering a new customer service line free of charge.

Furthermore, it offers new value-added, high-quality services designed to help customers optimally manage their energy consumption, provide better quality customer service through digital and personalized information, and protect personal data.

Acknowledging the financial challenges faced by its customers due to Covid-19, PPC proceeds to a new series of relief measures, offering the fixed fee free of charge, discounts to residential and business customers, and additional discounts to vulnerable customers.

Actions-Impact of Covid-19 pandemic.

Finally, with regard to the impact of Covid-19, PPC through its integrated emergency response plan managed to safeguard its business continuity, by taking a series of actions -in addition to its legal obligations- aiming to protect, inform and raise awareness of its employees with regard to the pandemic, as well as to provide relief measures to its customers through a tariff policy adapted to the current challenging situation. Since the pandemic is still ongoing, PPC remains alert in order to take any necessary measures for its employees, its customers, as well as for the society as a whole, contributing in any possible way to the national effort to address the pandemic. At the same time, however, the pandemic instead of hampering PPC's plan, it has essentially promoted the wider digital transformation of the company and has reinforced its shift towards RES.

Materiality Analysis.

At PPC, we focus our attention on topics related to the creation of long-term value for the Company and the wider economy, society and environment, where we operate. In order to identify the most material topics of Sustainable Development on which we will focus our strategy in the coming years and which concern and affect our stakeholders, we conducted (in 2018) a materiality analysis, with the participation of over 1,700 representatives from all of our stakeholder groups. The analysis was based on the guidelines of the Global Reporting Initiative (GRI).

The Company -during issuance of the present report- is in the process of preparing a materiality analysis in accordance with the GRI standards, which due to Covid-19 was not conducted in 2020; its results, as well as the description of the emerging material topics will be analyzed in the Sustainable Development Report for the year 2020.

Material topics identified by Management.

PPC has developed a sustainable development materiality analysis process, as part of its risk identification and assessment process. However, in this case it does not identify operational or financial risks, but sustainable development risks/impacts.

The topics set for evaluation were determined by analyzing the results from previous years' assessments and taking into consideration the current Company practices and market conditions.

Material topics identified by stakeholders.

PPC acknowledges that its business operations and decisions affect and are affected by different groups of stakeholders. The Corporate Social Responsibility Section engaged PPC stakeholders using a structured online questionnaire, asking them to evaluate and score what in their opinion were PPC's sustainability material topics. After a period of around 1 month of the questionnaire being open, PPC had collected 1,706 responses from all stakeholder groups from all regions of Greece.

Material topics prioritization.

The results of the PPC in-house process and the results generated by processing Stakeholder questionnaires were then presented in a single material topics heatmap. In the following diagram, the horizontal axis depicts PPC Management's views (which is derived by multiplying the impact of each topic by the corresponding likelihood of it occurring), while the vertical axis depicts the Stakeholders' views.

It is noted that some material topics were consolidated, as they emerged from the 2018 materiality analysis, due to similar thematic and for information consistency reasons. In parallel, they were defined not only based on the risk they present to the company but also in such a way as to highlight the opportunity arising from the material topic.

MATERIAL TOPICS	
1.	Generating economic value / economic performance
3.	Adapting to the new energy market conditions and strengthening investments
4.	Reinforcing corporate governance, business ethics and regulatory compliance
5.	Ensuring emergency preparedness and resilience
8.	Creating and developing employment
10.	Improving the services provided and developing new services/products
15.	Combating climate change and reducing greenhouse gases and other air emissions (e.g. NOx, SOx, VOCs)
20.	Improving energy effi ciency through the use of new technologies and promoting renewable energy sources

OTHER IDENTIFIED TOPICS	
2.	Assessing supplier ESG performance
6.	Safeguarding health, safety and wellbeing of employees and partners
7.	Providing employee training and development
9.	Safeguarding human rights at work
11.	Relationships / dialogue with local communities
12.	Participating in shaping the energy policy
13.	Social contribution / sponsorships
14.	Corporate volunteering initiatives
16.	Reducing dust, noise and visual / aesthetic nuisance
17.	Minimizing waste and increasing the implementation of circular economy practices
18.	Increasing the effi ciency of natural resources usage
19.	Protecting ecosystems and preserving biodiversity

* Some material topics were consolidated, as they emerged from the materiality analysis 2018, due to similar thematic and for reasons of information consistency.

Significance and boundaries of material topics.

The information in the table below, based on the requirements of the GRI Standards, presents the material topics that arose:

1. Why each topic is material:
   - Which are the stakeholders affected by the most material topics of Sustainable Development of the Company (based on the results of the Company's materiality analysis).
   - What are the U.N. Sustainable Development Goals (SDGs) that the Company contributes to (wider economic, social and/or environmental impacts).
2. Who causes these impacts:
   The cause of each impact may occur at different stages of the Company's value chain. Consequently, some are caused directly by the Company and some indirectly by a third party whose activities are related to the Company (downstream or upstream).

MATERIAL TOPIC	WHY THE TOPIC IS MATERIAL		BOUNDARIES	
	Wider economic, social and / or environmental impacts caused by the topic	Stakeholders directly affected (economically, socially and / or environmentally) by the topic	Affected by the Company	Stakeholders outside the Company that may cause or are associated with the impacts of the topic
Generating economic value / economic performance	SDG 8	• Employees • Customers • Shareholders and Investors • Partners and Suppliers • Peer Companies	✓	• Customers • Partners and Suppliers • Peer Companies
Adapting to the new energy market conditions and strengthening investments	SDG 7, 8	• Employees • Shareholders and Investors	✓	• Customers • The State, Regulatory Authorities and Public Bodies • Non-Governmental/ Non-Profit Organizations • Regions, Local Authorities and Local Communities • Partners and Suppliers • Peer Companies
Reinforcing corporate governance, business ethics and regulatory compliance	SDG 8, 16	• Employees • Shareholders and Investors • The State, Regulatory Authorities and Public Bodies	✓	• The State, Regulatory Authorities and Public Bodies
Ensuring emergency preparedness and resilience	SDG 7, 8, 9, 12,13, 16, 17	• Employees • Customers • Shareholders and Investors • Regions, Local Authorities and Local Communities • Partners and Suppliers	✓	• Customers • Regions, Local Authorities and Local Communities • Partners and Suppliers

MATERIAL TOPIC	WHY THE TOPIC IS MATERIAL		BOUNDARIES	
	Wider economic, social and / or environmental impacts caused by the topic	Stakeholders directly affected (economically, socially and / or environmentally) by the topic	Affected by the Company	Stakeholders outside the Company that may cause or are associated with the impacts of the topic
Creating and developing employment	SDG 8, 10	• Employees	✓	• The State, Regulatory Authorities and Public Bodies • Regions, Local Authorities and Local Communities • Peer Companies
Improving the services provided and developing new services/ products	SDG 11, 12, 13	• Employees • Customers	✓	• Customers
Combating climate change and reducing greenhouse gases and other air emissions (e.g. NOx, SOx, VOCs)	SDG 7, 8, 9, 12, 13	• Employees • Customers • The State, Regulatory Authorities and Public Bodies • Shareholders and Investors • Non-Governmental/ Non-Profit Organizations • Regions, Local Authorities and Local Communities • Partners and Suppliers • Peer Companies	✓	• Customers • The State, Regulatory Authorities and Public Bodies • Non-Governmental/ Non-Profit Organizations • Regions, Local Authorities and Local Communities • Partners and Suppliers • Peer Companies
Improving energy efficiency through the use of new technologies and promoting renewable energy sources	SDG 7, 8, 9, 12, 13, 17	• Employees • Customers • The State, Regulatory Authorities and Public Bodies • Shareholders and Investors • Non-Governmental/ Non-Profit Organizations • Regions, Local Authorities and Local Communities • Partners and Suppliers • Peer Companies	✓	• Customers • The State, Regulatory Authorities and Public Bodies • Non-Governmental/ Non-Profit Organizations • Regions, Local Authorities and Local Communities • Partners and Suppliers • Peer Companies

Significant risks.

Significant risks are further analyzed in the "Main Risks – Uncertainties" section of within the Executive Summary of the Board of Directors of the present report.

Performance 2020.

Selective indices for the Company's and Group's 2020 performance are presented in the following table. The indicators have been selected in accordance with the GRI guidelines. Detailed data as well as further PPC performance indicators are presented in PPC's Corporate Social Responsibility and Sustainability Report 2020.

INDICES	PPC GROUP[1]	PPC S.A.
Total no. of employees (number of employees 31 December 2020)	13,832	7,113 [2]
Female employees (%)	25.8%	27.86%
No. of employees with a collective labor agreement (%)	98.8%	99%
Total no. of accidents[3] (number of employees)	56	26
Total no. of fatal accidents[4] (number of employees)	0	0
Court convictions on incidents of human rights violations in the workplace (number of incidents)	0	0[5]
Employees subject to disciplinary penalties by the Company for incidents of human rights violations in the workplace (number of employees)	0	0
Criminal court convictions on matters falling within the criminal offenses of corruption, abuse of power, embezzlement, theft, infidelity, corruption, bribery, fraud, forgery, false testimony or falsification of documents, use of false testimonies and official secrecy violation (number of court decisions)	1	1[6]
Employees subject to disciplinary penalties by the Company for offenses of corruption, abuse of power, embezzlement, theft, infidelity, corruption, bribery, fraud, forgery, false testimony or falsification of documents, use of false testimonies and official secrecy violation (number of employees)	6	4
Social contribution (donations and sponsorships, support of local communities and institutions / organizations etc.) (€'000)	7,925	7,830
Power outage frequency (SAIFI) (number of power outages per customer)	1.6	–
Average time of power outage duration (SAIDI) (annual power outage duration in minutes per customer)	114	–
Number of Power Plants (lignite centers, thermal power generation units, hydroelectric units, etc.) with certified Environmental Management Systems	25	23
CO_2 emissions from electricity generation[8] (in thousands of tons)	15,470	12,875
Greenhouse gas (CO_2) trading rights (mil. €)	393	328

1. Data refer to the companies PPC, HEDNO, PPC Renewables, Lignitiki Megalopolis and Lignitiki Melitis.
2. Full time employees – this includes PPC employees to be transferred to PPC Renewables.
3. The methodology taken into account to calculate the indicators is the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition", which is also followed by the European Agency for Safety and Health at Work (EU-OSHA) and EURELECTRIC. The number of accidents includes all accidents occurring during employment of the permanent and seasonal/temporary staff, which caused absence from work for more than 3 calendar days. Accidents occurring while travelling to and from work or cases of sickness, which are analyzed separately (from a statistical viewpoint), are not included.

4. Total number of worker fatalities in consonance with the «European statistics on accidents at work (ESAW) - Methodology - 2001 edition».
5. Final judgements of civil and criminal courts. The indicator relates to employees of PPC S.A., in the context of exercising their duties by virtue of their status as employees of the Company. The indicator relates to full-time, temporary or seasonal employees excluding seconded employees, contractors and their staff.
6. Final criminal court convictions. The indicator relates to employees of PPC S.A., in the context of exercising their duties by virtue of their status as employees of the Company. The indicator relates to full-time, temporary or seasonal employees excluding seconded employees, contractors and their staff.
7. The amount of donations/sponsorships concerns already account for amounts from January 1 to December 31, 2020.
8. Emissions from facilities participating in the European Union Emissions Trading Scheme.

STATEMENT OF CORPORATE GOVERNANCE

1. Introduction

Corporate Governance is a system of management and control of the societes anonymes. It is a set of structures, principles, rules, procedures and practices based on which the continuous improvement of the Company's efficient operation for the sake of its shareholders and all parties having legitimate interest in its operation, the enhancement of the long-term value of the Company and in general the safeguarding of corporate interests are pursued.

The implementation and the observance of the best practices of corporate governance constitutes an essential commitment and priority of "Public Power Corporation S.A." (herein "PPC S.A." or "the Company") due to its important role in the Greek economy and the public interest services it provides. An indication of the importance that PPC attaches to the corporate governance is the newly-established Legal Affairs & Corporate Governance Division (LACG/Di) which is tasked with the introduction of new and the review of the existing practices of corporate governance in order to ensure the alignment of the Company and the entire Group with best international practices, taking into consideration that the majority shareholder of the Company is the Hellenic Republic.

It is noted that specific laws and regulations applicable to the corporations of the wider public sector govern the Company. Consequently, its operations continue to be subject to restrictions provided for in special laws applicable to the companies of the Greek public sector such as, by way of illustration, supply and works, remuneration, and recruitment policy. The said laws and regulations to which the current competitors of the Company are not expected to be subject, are likely to limit its operational flexibility and the implementation of the relevant "best practices" of corporate governance. It should be pointed out that the recent L. 4643/2019 has introduced regulations that facilitate a more flexible operation of the Company in critical fields of its activity (see below sub-section 6.11).

With regard to the shareholder structure of the Company, it should be noted that the Hellenic Corporation of Assets and Participations S.A. (HCAP) in which the Hellenic Republic holds 100% of its shares and voting rights participates directly with 34.123% in PPC's share capital. Moreover, the Hellenic Republic Asset Development Fund (HRADF), which is a subsidiary of HCAP, participates directly with 17% in PPC's share capital. Based on the above, the total percentage of the Hellenic Republic remains indirectly at 51.123%. In addition, based on number 15 of the decision of the Government Council for Economic Policy No 33/20.5.2016 (NOG vol. B issue 1472/25.5.2016) on the approval of the HRADF Business Plan, HRADF should offer for sale its participation in the share capital of the Company of 17%, through a process to be decided by the Board of Directors. Finally, it is clarified that the percentage (3.93%) of the e-EFKA (Single Social Security Entity) and the TAYTEKO/TEAPAP-DEI (PPC Insurance Fund) shall not be counted in the percentage of the Hellenic Republic's indirect participation in the share capital of the Company.

Within 2019 PPC harmonized its Articles of Incorporation with the provisions of L. 4548/2018 (NOG 104/13.06.2018), which was put into effect on 1.1.2019 (article 190) and has already started modifying its procedures for amending its Articles of Incorporation as required for the enforcement of the provisions of L. 4706/2020 on Corporate Governance.

2. Code and Practices of Corporate Governance

PPC prepares the current statement of Corporate Governance pursuant to the provisions of par. 1 article 152 of L. 4548/2018.

More in particular, PPC has drawn up by virtue of article 152 par. 1 item (a) sub-item (bb) of L. 4548/2018 and implements its own Code of Corporate Governance, which is posted on the Company's website (www.dei.gr). The Company is currently in the process of seeking expert advice, with the assistance of a specialized consulting firm, in order to adopt and implement within 2021 a Code of Corporate Governance which will have been drafted by a body of recognized standing, as set forth in the new law 4706/2020 on Corporate Governance, the provisions of which with regard to corporate governance of listed societes anonymes shall take effect on 17.07.2021.

At the same time and within the first half of 2021 the alignment of the Articles of Incorporation, as well as of the Rules of Operation of the Company with the provisions of the said Law will have been completed.

Moreover, in accordance with the requirements article 152 par. 1 item (a) sub-item (cc) of L. 4548/2018, as applicable, we declare that the rules and practices of corporate governance applied by PPC, apart from those provided for or required by the standing legislation governing listed corporations of the wider public sector (L. 4548/2018, L. 3016/2002, L. 4449/2017,L. 3429/2005 chapter B) are the following:

The powers and the competences of the Chief Executive Officer, who is the highest-ranking executive officer of the Company, are directly provided for in the Articles of Incorporation (article 15, par. 2 and 3 of the Articles of Incorporation and sub- section 6.7 below).
The prohibition applied to the members of the Board of Directors (BoD) concerning the conduct of competitive acts is valid for a period of two years following termination for any reason whatsoever of the term of office of the Board member or his retirement from the BoD (article 13 par.2 of the Articles of Incorporation "Prohibition of competition – Participation in the Board of Directors of subsidiary companies").

The nominations for membership to the Board of Directors, along with the curriculum vitae of the nominees, shall be submitted to the Company at least three (3) working days prior to the convocation date of the General Meeting called for their election, in order to be examined with regard to any impediments or incompatibilities, as well as to the criteria of their independence (especially in the case of appointment of independent members) by the Nomination Committee (article 9 par. 5 of the Articles of Incorporation "Composition and Term of Office of the Board of Directors", as well as section 6.11 below). This regulation shall be amended and adapted to those provided for by L. 4706/2020.

The Board of Directors or the General Meeting of the Shareholders of the Company elects the Chairman of the Board of Directors as well as the Deputy Chairman (article

14 of the Articles of Incorporation, "Chairman and Deputy Chairman of the Board of Directors). The positions of Chairman and Chief Executive Officer may coincide to the same person. Notwithstanding the common regulations applying to societes anonymes, the Chief Executive Officer is elected by the General Meeting, while the Parliamentary Committee shall give its opinion on his/her nomination.

Apart from the BoD and the CEO, the Governing Bodies of the Company include the Executive Committee (article 8 of Articles of Incorporation, article 3 of Rules of Operation). Its composition and competences are described in par. 6.8 below "Executive Committee".

There are Deputy CEOs reporting to the CEO (article 15a of Articles of Incorporation "Deputy Chief Executive Officers").

A Remuneration and Recruitment Committee has been established having the competences and the function provided for in article 5 of L. 4643/2019 and consisting of three (3) non-executive members of the Board of Directors of the Company, independent within the meaning of the provisions of L. 3016/2002 as applicable (article 17 of Articles of Incorporation "Remuneration and Compensation of Members - Remuneration and Recruitment Committee").

The Articles of Incorporation of the Company provide on one hand that the BoD may meet by way of teleconference (article 11 par.2) and on the other that the Shareholders are entitled to participate in the voting of the General Meeting via distance voting, registered mail or through electronic means (article 22 par. 4 and sub-section 5.4 below).

It is common practice for the Board Members to declare at the beginning of each meeting of the BoD any potential conflicts of interest as per each item on the agenda of the respective meeting.

3. Internal Audit, Regulatory Compliance and Risk Management Systems in Relation to the Procedure of Financial Statements' Preparation

3.1. Safeguards at corporate level.

The corporate safeguards concern the internal audit, the regulatory compliance and the risk management.

1. The Internal Audit, in accordance, on one hand, with L.3016/2002 as applicable, (until the relevant provisions of L. 4706/2020 take effect) and on the other hand with article 4 of L. 3429/2005 and article 44 of L. 4449/2017, constitutes an independent, objective, safeguard and advisory activity, designed to add value and improve the operations of the Company, enabling it to fulfill its objectives through the adoption of a systematic and professional approach with regard to the evaluation and improvement of the effectiveness of the risk management procedures, of the internal audit systems and of the corporate governance. The Internal Audit of the Company is performed by a special Service, the Internal Audit Department (IAD), which is established by decision of the Board of Directors and supervised by the Audit Committee (AC) of the Board of Directors.

The IAD aims at the efficient and valid audit of the Company in order to protect the interests of the shareholders, in accordance with the Legislation in force, the Corporate Governance principles and the best practices of Internal Audit, in order to ensure that:

- Risks are identified thus ensuring adequate management by the competent Units.
- The personnel acts in accordance with PPC policies and procedures, Rules and the Legislation in force.
- PPC resources are acquired and used in an efficient and cost efficient manner.
- PPC assets are adequately protected.
- Financial information is reliable.

The mission of the IAD, its organization, staffing, competencies, relations with the Supervisory Authorities, as well as the competencies of its Director, the rules of its operation and its Code of Ethics are detailed in its Rules of Procedure, which constitute an integral part of the Company's Rules of Operation.

The annual audit plan of the IAD is elaborated based on the determination, updating and assessment of the corporate risks of the Group and taking into consideration the strategic goals of the Company and all developments concerning the Group and its business environment. The audit plan is submitted for approval to the BoD through the Audit Committee.

2. The Company, acknowledging the need to adapt to a new business environment, constantly evolving worldwide through the issuance of new necessary regulations and codes of corporate governance, proceeded in 2017 to the establishment of the Compliance Department. The objective of the said department is to monitor the observance of all the above within the framework of the operation of the Company and at the same time to enhance the development of this corporate culture, that is the culture of compliance with the law.

In order to attain this objective the Company, through the Compliance Department, has already launched the "Code of Conduct" which is posted on the Company's website and proceeds with the elaboration of the "Business Ethics & Compliance Program" in accordance with the best international practices, principles and rules. In particular, in 2020, the Company started a cooperation with a recognized consultant for the said project, which includes: development of procedures of corruption risk assessment, adaptation of the existing policies or drawing-up of new policies, in line with the best international practices, for third parties (suppliers, contractors), for combatting corruption-bribery, conflict of interests, granting of presents, sponsorships. Moreover, evaluation and further improvement of the existing Code of Conduct, creation and management of a suitable whistleblowing channel. Thereafter, the personnel shall be trained and all the above shall be integrated into the corporate culture. The project will have been completed by the beginning of 2022.

Furthermore, in 2020 a Compliance Officer was appointed, responsible for any kind of transactions whatsoever on Energy Products of the Company, pursuant to the provisions of the institutional framework for the energy market. Finally, in the above context, the development of the AML and CFT policy was initiated in 2020 and was finalized on February 2021, applying to wholesale transactions and futures/options, on condition that the above transactions amount to ten thousand euros or more, whether these transactions are carried out in a single operation or in several operations which appear to be linked.

In this context the Company in compliance with the International Requirements (Bloomberg 2015, establishment of the TCFD by the Financial Stability Board) initiated the procedure of transition from the existing model of corporate governance GRC (Governance, Enterprise Risk, Compliance) to the new model ESG (Environmental Social Governance). In particular and based on the guidelines set forth by the TFCD "Taskforce for Climate-related Financial Disclosure", the company evaluates the risks that to be faced in the context of its activities due climate change and considers ways to deal with them.

3. Furthermore, in November 2020 the Risk Management Department was established aiming at safeguarding the Company against internal and external risks as a result of its business activity, through central monitoring and coordination of the risk exposure management. The Risk Management Department is responsible for the development and implementation of a suitable risk management system in line with the risk management policy of the Company by which a) all corporate risks are evaluated (identified, quantified and prioritized based on materiality), b) a risk management and response strategy is developed (acceptance or prevention of the risk, risk mitigation by modifying the relevant business action, sharing or transfer of risk), and c) procedures for monitoring the evolution of risks are set up by introducing appropriate procedures and control indicators. It is to be noted that the competence and responsibility for managing partial risks lies with the Services to which these risks pertain.

Within the framework of the Risk Management System and by decision of the Board of Directors a Risk Management Committee was established, entrusted with the risk oversight of all the activities of the Company and the contribution to the development of the Risk Management Corporate Framework, as well as with the monitoring and reporting of the significant Corporate Risks.

The Company by means of operating within this framework highlights its commitment to the establishment of a business environment, which not only respects and comply with the law but enhances the Company's value as well, thus safeguarding its good repute and credibility.

As a consequence of the aforementioned organizational changes, the Company has already in place the units which, by virtue of the new law on Corporate Governance, will form the Internal Audit System.

4. The Audit Committee of the BoD, in its current form and composition (see below in detail sub-section 6.11 herein), supervises the IAD, submits to the BoD the six-month activity reports, the annual reports and other reports on issues falling within the competence of the Compliance Department and, in general, constitutes the highest safeguard of the Company.

3.2. Safeguards for information systems.

The Company has developed a Framework of Information Systems Security (FISS) within which the policies concerning Information Systems Security are defined in regard with information classification, security in matters of personal data, physical and environmental security, management of communications and information systems operations, access control, development and maintenance of information systems, coping with vulnerabilities and risks, protection against malicious software, business continuity management and in general compliance with the obligations deriving from the regulatory-legislative framework.

The roles and competencies concerning the information systems security are defined in the FISS.
Moreover, the Company has set up the role of Responsible for Information and Network Security (RINS), in accordance with L. 4577/2018 (NOG A' 199) and the Ministerial Decision 1027/2019, as applicable each time, with the following responsibilities:

- Constitutes the contact point and works with the National Cybersecurity Authority and the competent CSIRT.
- Coordinates and monitors the Company in respect of its obligations arising from the aforementioned legislation and other provisions of the EU or the National Cybersecurity Authority concerning the Information and Network Systems Security.
- Supervises:
  - a) The implementation of the Single Security Policy (currently the FISS), elaborated based on the security requirements as defined each time by the National Cybersecurity Authority.
  - b) The satisfaction of the main security requirements.
  - c) The training and increase of personnel awareness in matters of information and network security.
  - d) The drawing up of the self-evaluation report of the Company to be sent to the National Cybersecurity Authority.
- Assists to the audits performed by the Audit Inspection Team, as defined by the National Cybersecurity Authority and provides to the said Team all adequate means to facilitate its work.

3.3. Safeguards for the procedure of preparation of Financial Statements and Reports.

The basic areas where safeguards concerning the preparation of the Company's financial statements and reports are implemented are the following:

Allocation of Competencies.
The executives involved have clearly defined roles and areas of responsibility, reinforcing, thus, the performance of the Internal Audit System.

Procedures for accounting monitoring and preparation of financial statements.

- Accounting principles and policies for the operation of the Accounting Services of the Group.
- Procedures in relation to the issuing of financial statements and their consolidation at Group level.
- Regular follow-up of the International Financial Reporting Standards, as these are adopted by the European Union, and corresponding compliance of the accounting principles and policies of the Group, as required.
- A special approval by the top executives of the Company is required for the creation of accounting entries, which concern specialized, non-recurrent accounting events.
- Audits are being carried out by the Information Technology Department on the information subsystems' data, before being integrated into the General Accounting.
- Regular communication of the executives of the Finance Division with the Top Management and the Audit Committee for the ratification and recording of important events that affect the financial statements.
- Regular communication of the chartered auditors with the Top Management and the Audit Committee with regard to the progress and the results of the Company's compulsory audit.

Procedures for property safekeeping.
Implementation of safeguards for the information systems in place for managing fixed assets, reserves, cash and cash equivalents and customers. By way of illustration, the existence of analytical procedures and audit mechanisms for carrying out the material annual inventory.

Transaction approval limits.
The operation of the Services, at all administration levels, as well as of the Company's Bodies of persons is governed by the Financial and Administrative Jurisdictions System by which the jurisdictions in matters of approvals by the Governing Bodies and the executives of the Company are defined.

4. Information Data

Information data required in accordance with article 10 par. 1 items cases c), d), f), g) and h) of Directive 2004/25/EC of the European Parliament and of the Council, dated 21 April 2004 concerning Takeover Bids - EXPLANATORY REPORT OF THE BOARD OF DIRECTORS (Article 4, paragraphs 7 & 8 of L. 3556/2007).

4.1. Share Capital Structure.

Until January 16, 2017, the Company's share capital amounted to €1,067,200,000 divided into 232,000,000 common registered shares corresponding to 232,000,000 voting rights with a nominal value of €4.60 each.

By resolution of the Shareholders' Extraordinary General Meeting held on January 17, 2017, the Company's share capital was decreased by four hundred ninety-one million eight hundred forty thousand euros (€491,840,000) along with a decrease of the nominal value of the share by two euros and twelve cents (€2.12) each and distribution in kind rather than in cash of one (1) share of the societe anonyme under the trade name "HOLDING COMPANY ENERGIAKI S.A." with the distinctive title "ENERGIAKI HOLDING S.A." (currently "ADMIE HOLDING S.A.") of a nominal value of two euros and twelve cents (€2.12) for one (1) share held in the Company.

Following the aforementioned decrease, the share capital of the Company currently amounts to five hundred seventy-five million three hundred sixty thousand euros (€575,360,000), divided into two hundred thirty-two million (232,000,000) common registered shares of a nominal value of two euros and forty-eight cents (€2.48) each.

4.2. Restrictions in transferring Company shares.

Article 8 of PPC's Articles of Incorporation which provided that the percentage of the Hellenic Republic in the PPC's share capital could not be less than 51% of the shares with voting rights of the Company following any increase of the share capital, was abolished by virtue of article 8 of PPC Articles of Incorporation, pursuant to the Act of Legislative Content dated September 7, 2012 (which was ratified by article 2 of L. 4092/2012).

4.3. Significant direct or indirect participations within the meaning of articles 9 to 11 of L. 3556/2007.

As of December 31, 2020, Hellenic Corporation of Assets and Participations S.A. (HCAP), Hellenic Republic Asset Development Fund (HRADF) and Helikon Investments Limited had a significant participation (over 5%).

8/10/2020	Helikon Long Short Equity Fund Master ICAV	5.01%
20/3/2018	"Hellenic Corporation of Assets and Participations S.A." (HCAP)[1]	34.12%
11/4/2014	"Hellenic Republic Asset Development Fund (HRADF)[1]	17.00%

1. On 8 April 2014, the Greek Joint Ministerial Committee for Restructurings and Privatizations decided the transfer, without consideration, of 39,440,000 PPC ordinary shares with voting rights (corresponding to 17% of the existing share capital of PPC S.A) by the Hellenic Republic to the HRADF, pursuant to the provisions of L. 3986/2011. On 09.04.2014, the transfer of said shares by the Hellenic Republic to HRADF was effected, following execution of an over-the-counter transaction and was announced on April 11, 2014. A transfer of 79,165,114 PPC shares (namely 34.123%) by the Hellenic Republic to HCAP (in which the Hellenic Republic holds 100% of the shares and voting rights) was completed on March 20, 2018, by law and without consideration, according to par. 20, article 380 of L. 4512/2018, as par. 1 of article 197 of L. 4389/2016 was amended. Taking into consideration that HRADF is HCAP's subsidiary, the total percentage of the Hellenic Republic to PPC remains indirectly at 51.123%.

4.4. Shares with special control rights.

There are no shares granting special control rights, stricto sensu.

4.5. Voting rights restrictions.

There are no restrictions on voting rights.

4.6. Agreements between Company's shareholders.

The Company has no knowledge of agreements existing between its shareholders.

4.7. Regulations on appointing and replacing members of the Board of Directors.

According to article 9 of the Company's Articles of Incorporation, the Company's Board of Directors consists of eleven members, divided into executive and non-executive members (independent and non-independent) for a three- year term of office, out of which:

a. Nine (9) members, including the Chief Executive Officer, elected by the General Meeting of shareholders of the Company. The Board of Directors shall elect from among the said members its Chairman and Vice Chairman, pursuant to article 14 of the Articles of Incorporation.
b. Two (2) members representing the employees of the Company. These members shall be elected by direct, general ballot and by means of the proportional representation system within a time period of two (2) months from the relevant notification to the most representative trade union (ASOP). The election of the representatives of the employees to the Board of Directors shall be conducted by an election committee appointed by the most representative trade union of the Company, in which (committee) at least one representative from the remaining trade unions of the Company shall participate.
   The procedure of the said election, the appointment of the local election committees, the time and the details of the polling, as well as the counting of the votes and the announcement of the results thereof, shall be the duty of the said committee, which shall be presided over by a judicial functionary pursuant to the provision of article 11 of L. 1264/1982 concerning "Democratization of the Trade-union Movement – The Rights of the Unions" (Official Gazette, volume A, issue no 79). The same procedure shall also apply to the appointment of the substitute members in replacement of the members of the Board elected in accordance with the procedure set forth in paragraph herein. In case the substitute member resigns or leaves his office vacant, for any reason whatsoever, his position shall be occupied by the substitute member who follows next in order.

In the event of non-election or non-prompt filling of any vacancy or non-substitution of the members of the Board, for any reason whatsoever, this shall not impede the constitution and functioning of the Board of Directors without these members, provided that the remaining members are not less than six (6).

4.8. Duties of the Board of Directors with regard to the issuance of new or the purchase of own shares.

According to article 6 par.2 items a) and b) of the Company's Articles of Incorporation, for a period not exceeding five years for each renewal granted, the General Meeting upon its resolution, may renew the relevant power granted to the Board of Directors so that the Board of Directors, by its decision taken in accordance with the increased majority of article 24, L. 4548/2018 as applicable, may a) increase the share capital through the issuance of new shares. The amount of the increase may not exceed triple the share capital, which shall have been paid up on the date of the decision-making by the General Meeting on the renewal of the relevant power of the Board of Directors and b) issue bonded loan converted into shares by its decision or otherwise by resolution of the General Meeting taken in accordance with the simple quorum and majority requirements, for an amount that cannot be more than triple the share capital, which shall have been paid up on the date of decision-making by the General Meeting on the renewal of the relevant power of the Board of Directors. In this case, the provisions of article 24 L. 4548/2018 as currently in force shall apply. It is noted that the provisions of par. 2 article 6 of PPC Articles of Incorporation, as mentioned above, have not been implemented to date.

The provisions of articles 49 to 51 of L. 4548/2018, as amended and currently in force, provide for the Company's right to purchase own shares, under the responsibility of the Board of Directors, following approval by the General Meeting of Shareholders and pursuant to the requirements specified in the above articles.

There is no special provision in the Company's Articles of Incorporation, concerning the competence of the Board of Directors or the General Meeting to purchase own shares.

4.9. Significant agreements that become effective, are amended or are terminated in the event of change in control.

A significant part of PPC loan agreements provide that in case the Hellenic Republic's participation in the share capital of the Company falls below 34% or 51%, or in case the Hellenic Republic ceases to control the Company in any way whatsoever, this may lead to Mandatory Prepayment of these loans or may constitute an Event of Default.

In addition, any change in PPC shareholder structure, which may lead to a change in control over the Company, gives rise to an "Accelerated Put/Call Event" according to the Shareholders Agreement between PPC S.A. and TERNA ENERGY relating to WASTE SYCLO S.A. This event entitles the non-defaulting party to exercise his right whether to purchase all the shares of the defaulting shareholder or to proceed to the disposal of its shares to the defaulting party, based on the procedure set forth in the Shareholders Agreement.

With regard to the shareholders agreement with ALPIQ, based on which the subsidiary company under the trade name PPC Bulgaria was established in Bulgaria, in the event of any change in the shareholder structure of one out of the two shareholders which leads in a change of control over the company, the other shareholder may exercise his right to sell his shares to the first shareholder, within 30 working days, pursuant to the procedure provided for in the shareholders agreement.

4.10. Agreements with members of the Board of Directors or Company Personnel.

There are no share distribution plans to the members of the Board of Directors and/or employees of the Company.

On 22.08.2019, the Company signed a Mandate Contract with the current Chairman and Chief Executive Officer, Mr. Georgios Stassis. Moreover, the Company has signed Contracts for the provision of Services for a three-year period with the Executive Members of the Board of Directors and at the same time Deputy Chief Executive Officers, Mr. A. Paterakis and Mr. G. Karakousis as of 20.01.2020 and 27.02.2020 respectively, pursuant to the provisions of article 4, L. 4643/2019. Moreover, the Company has signed a Contract for the provision of Services for a three-year period with the Deputy Chief Executive Officer (and non-member of the BoD), Mr. I. Kopanakis, on 20.01.2020 pursuant to the aforementioned provisions. Finally, within 2020, PPC, in line with the provisions of L. 4643/2019, proceeded to the filling up of vacant statutory (permanent) posts of Chief Officer, Director, Assistant Director and Head of Unit level, through public call, with fixed-term contracts for a period of up to three years, which may be renewed only once. The personnel of the Company and nominees outside the Company were entitled to participate in the said procedure.

5. Information Data on the Functioning of the General Meeting of Shareholders and its Main Powers, as Well as Description of the Shareholders' Rights and of their Exercise

5.1. Competence of the General Meeting.

The General Meeting is the supreme authority of the Company and shall have the right to adopt resolutions on all matters concerning the Company, unless otherwise stipulated in the Articles of Incorporation (article 19 of the Articles of Incorporation). Any holder of fully paid-up voting shares shall participate in the General Meeting of shareholders of the Company depending on the number of shares which he/she holds.

5.2. Convocation of the General Meeting.

The Shareholders' General Meeting of the Company shall be convened by the Board of Directors (article 20 of the Articles of Incorporation) and shall meet at the seat of the Company and/or at any other place outside such seat, in accordance with the provisions of articles 119 and 120 of L. 4548/2018, at least once a year, no later than the tenth (10th) calendar date of the ninth month following the termination of the fiscal year, in order to adopt resolutions on the approval of the annual financial statements and the election of auditors (Ordinary General Meeting). The Board of Directors may convene an Extraordinary Shareholders' General Meeting, whenever this is prescribed by special provisions or whenever the Board considers it appropriate.

5.3. Invitation to the General Meeting.

The Shareholders of the Company are invited to the General Meeting and meet (article 21 of the Articles of Incorporation) pursuant to the relevant provisions of L. 4548/2018.

5.4. Participation in the General Meeting.

The participation and voting rights are provided for in article 22 of the Articles of Incorporation do not deviate from the relevant provisions of L. 4548/2018.

More specifically:
Any shareholder who holds and proves his shareholder capacity on the date of the General Meeting shall be entitled to participate in the General Meeting. In particular, any person holding the shareholder capacity on the commencement of the fifth (5th) date prior to the date of the initial date of the General Meeting (Record Date) shall be entitled to participate in the General Meeting. The above Record Date shall apply even in the event of a postponed or repeat meeting on condition that the postponed or repeat meeting is not held later than thirty (30) days from the Record Date. If that is not the case or if, in the event of a repeat General Meeting, a new Invitation is published in accordance with those provided for in article 130 of L. 4548/2018, any person having the shareholder capacity on the commencement of the third (3rd) day prior to the date of the postponed or repeat General Meeting shall be entitled to participate in the General Meeting. The shareholder capacity shall be evidenced by any legal means and in any case based on the information received by the Company from the Central Securities Depository, on condition that the latter provides registry related services.

Shareholders shall participate in the General Meeting either in person or by proxy. Each shareholder may appoint up to three (3) proxy holders. Any proxy holder holding proxies by several shareholders may cast votes differently for each shareholder. The appointment, revocation or substitution of any proxy holder shall be made in writing or by mail and shall be notified to the Company in accordance with the same procedure as above at least forty-eight (48) hours prior to the date set for such General Meeting. Legal entities shall participate in the General Meeting by their representatives. Each shareholder, for each item on the agenda, which allows for open vote, shall be entitled to participate in the General Meeting via distance voting, registered mail or through electronic means, with the voting being held prior to the General Meeting, subject to the conditions set out in article 126 of L. 4548/2018.

5.5. Ordinary Quorum and Majority.

A quorum of the General Meeting shall be deemed to be achieved (article 23 of the Articles of Incorporation) for the proper discussion of the items on the agenda, when shareholders representing at least one fifth (1/5) of the paid-up share capital are present or represented thereat.

If the quorum referred to in the preceding paragraph is not obtained, the General Meeting shall be held again within twenty (20) days from the date of the postponed meeting, following invitation being notified at least ten (10) days prior to the meeting date. At such repeat meeting, a quorum shall be deemed to be obtained in order to duly discuss the items set out on the original agenda, regardless of the proportion of the paid-up share capital represented thereat.

A new notice of invitation is not required, in the event that the original notice of invitation states the venue and date of the repeat meetings provided for by the law, in case a quorum has not been reached, on condition that there is a lapse of at least five (5) days between the postponed meeting and the repeat one.

The resolutions of the General Meeting shall be adopted by absolute majority of the votes represented thereat.

5.6. Extraordinary Quorum and Majority.

As an exception, for resolutions involving matters specified in article 24 of the Articles of Incorporation, the Meeting has quorum and legally meets on the items set out in the agenda, when shareholders representing one half (1/2) of the paid-up share capital are present or represented thereat.

If the said quorum is not obtained, a repeat General Meeting shall be convened in accordance with the provisions of par. 2, article 23 of the Articles of Incorporation, a quorum of which shall be obtained for the proper transaction of the business set out on the initial agenda, when at least one fifth (1/5) of the paid-up share capital is present or represented thereat.
A new notice of invitation is not required on condition that the venue and time of the repeat meetings, as provided for by law, are set in the initial invitation, and that at least five (5) days intervene between each postponed meeting and each repeat one.

The resolutions stipulated in par. 1 herein shall be made by a two-third (2/3) majority of the votes represented thereat.

5.7. Approval of the overall management and discharge from liability of the auditors.

Following the approval of the annual financial statements, the General Meeting shall decide by open vote on the approval of the overall management for the respective year subject to the conditions set out in article 108 of L. 4548/2018 (article 27 of the Articles of Incorporation). The members of the Board of Directors may participate in the vote for the approval of the overall management only with shares they hold or as representatives of other shareholders, on condition that they have received the relevant authorization with explicit and specific vote instructions. The same applies to employees of the Company.

Following the approval of the annual financial statements, the General Meeting shall decide by open vote on the discharge of the auditors from any liability.

5.8. Rights of Shareholders and specifically of Minority Shareholders.

Articles 25 to 36 of L. 4706/2020 (NOG volume A' issue 136/17.7.2020) provide for the encouragement of the long-term active participation of shareholders in general meetings of listed companies.

The minority rights of the Company's Shareholders are detailed in article 28 of the Articles of Incorporation of the Company and do not deviate from those specified in the relevant provisions of L. 4548/2018.

6. Composition and Operation of the Governing Bodies

6.1. Governing Bodies (article 8 of the Articles of Incorporation).

The Governing Bodies of the Company shall be:
a. the Board of Directors,
b. the Chief Executive Officer and
c. the Executive Committee.

Composition and Term of Office of the Board of Directors (article 9 of the Articles of Incorporation)
1. a. The Board of Directors (or "BoD") shall consist of eleven (11) members divided into executive and non- executive members and elected for a three-year term of office, at least five (5) of whom shall be independent non-executive members. In order to ensure continuity in the administration of the corporate affairs and the representation of the Company, the term of office of each member may be extended ipso jure until the first Ordinary General Meeting to be held after the expiration of its term.
   b. The members of the Board of Directors may in any case be re-elected and may at any time be revoked by the General Meeting of the Shareholders. Especially, with regard to the members of the Board who are elected according to the procedure of par. 2 item (b) herein, a reasoned decision by the Board of Directors, for reasons pertaining to the fulfilment of their duties as members of the Board, is required for their revocation. At least five (5) of the eleven (11) members shall be independent non-executive members.
   c. The participation of independent non-executive members to the Board of Directors shall not exceed three consecutive terms, namely nine (9) years in total.
   d. The number of the non-executive members of the Board linked by any type of employment relation to the Company or to any of its associated companies cannot exceed three (3) out of the total number of its members.

2. The Board of Directors shall consist of:
   a. Nine (9) members, including the Chief Executive Officer, elected by the General Meeting of the shareholders of the Company. The Board of Directors shall elect from among the said members its Chairman and Vice Chairman, pursuant to article 14 of the Articles of Incorporation.
   b. Two (2) members representing the employees of the Company. These members shall be elected by direct, general ballot and by means of the proportional representation system within a period of two (2) months from the relevant notification to the most representative trade union (ASOP).
   The same procedure shall also apply to the appointment of the substitute members in replacement of the members of the Board elected in accordance with the procedure set forth in the paragraph herein. In case the substitute member resigns or leaves his office vacant, for any reason whatsoever, his position shall be occupied by the substitute member who follows next in order.
3. In the event of non-election or non-prompt filling of any vacancy or non-substitution of the members of the Board, for any reason whatsoever, this shall not impede the constitution and functioning of the Board of Directors without these members, provided that the remaining members are not less than six (6).
4. a. In the event that for any reason whatsoever there shall be a vacancy in the office of a Board Member elected in accordance with the procedure set forth in paragraph 2a herein, the remaining members of the Board shall elect another member for the remaining term of the member in the office of whom a vacancy has occurred, and such election shall be posted on the websites of the Company and the General Electronic Commercial Registry (GECR or G.E.M.I.) and shall be announced by the Board of Directors at the next meeting of the General Meeting.
   b. In the event of a vacancy in the office of the Chief Executive Officer for any reason whatsoever, the Chairman of the Board of Directors shall temporarily act as Chief Executive Officer; if the positions of Chairman of the Board of Directors and of Chief Executive Officer coincide to the same person, the Vice Chairman of the Board of Directors, appointed pursuant to article 14 par. 1 of the Articles of Incorporation, or, if there is no Vice Chairman, a person designated by the Board of Directors among its members and by priority among its executives members, who have been elected by the General Meeting in accordance with article 9, par. 2 item (a) of the Articles of Incorporation, shall temporarily act as Chief Executive Officer. In such cases, the Board of Directors shall call the General Meeting of shareholders in the shortest possible time for the election of the new Chief Executive Officer.
   c. In the event of a vacancy in the office of the Chairman of the Board of Directors for any reason whatsoever, the Chief Executive Officer of the Company shall temporarily act as Chairman or if the posts of Chairman of the Board of Directors and of Chief Executive Officer coincide to the same person, the Vice Chairman of the Board of Directors, appointed pursuant to article 14 par. 1 of the Articles of Incorporation, shall act as Chairman. In the event of a vacancy in the office of both the Chairman and the Chief Executive Officer, and should no Vice Chairman of the Board of Directors have been elected, the Chairman shall be substituted by the senior member of the Board of Directors, from among the members elected by the General Meeting pursuant to article 9, par. 2 item (a) of the Articles of Incorporation.
   d. In the event that the Chief Executive Officer or the Chairman are absent or temporarily unable to perform their duties, the Vice Chairman and, if there is no Vice Chairman, a person designated by the Board of Directors among its members who have been elected by the General Meeting in accordance with article 9 par. 2 a) of the Articles of Incorporation, and by priority among its executive members, shall substitute for them.
5. For the examination of the nomination for membership on the Board of directors, the Company has set up a Nomination Committee by decision of the Board of Directors, which consists of at least three (3) members, independent members of the Board in their majority. The Nominations Committee examines, by way of illustration, any impediments or incompatibilities as well as the independence criteria of the Board Members (especially in case of appointment of independent members) pursuant to L. 3016/2002 and L. 4548/2018, as applicable, and evaluates periodically the size and the composition of the Board of Directors, including the submission of proposals on the diversity policy to be adopted by the Board and, in general, the implementation of the provisions of legislation as applicable each time.
   In any case, the nominations for membership on the Board of Directors, along with the curriculum vitae of the nominees, shall be submitted to the Company at least three (3) working days prior to the convocation date of the General Meeting called for their election.

6.2. Competence of the Board of Directors.

1. The Board of Directors (article 10 of the Articles of Incorporation) is the supreme governing body of the Company, which shall formulate primarily its development strategy and policy, as well as supervise and exercise control over the management of its property. The Board of Directors shall approve, upon recommendation of the Chief Executive Officer:
   a. the Strategic Plan, which determines the strategic goals for the attainment of the purpose of the Company,
   b. the Business Plan of the Company of a duration of three (3) to five (5) years, which specifies the goals of the Strategic Plan for each year of its duration,
   c. the methods for the implementation of the Strategic Plan and the Business Plan for each year of their duration. The Board of Directors shall also follow up the implementation of both the Strategic and the Business Plan.
2. The Board of Directors shall represent the Company and shall be vested with unlimited authority to decide on any act and to exercise full power concerning the management of the Company, the management of its property and in general the fulfillment of its object, with the exception of those issues which either by law or by the present Articles of Incorporation, expressly fall within the jurisdiction of the General Meeting.
3. The Board of Directors shall, upon recommendation of the Chief Executive Officer, approve the annual budget of the Company, prepare, approve and submit to the General Meeting for approval the annual financial statements of the Company and prepare and submit to the General Meeting the annual report. Moreover, the Board of Directors, upon recommendation of the Remuneration and Recruitment Committee, approves the recruitment policy of the Company, pursuant to the relevant legislation as applicable each time.
4. The Board of Directors shall upon the recommendation of the Chief Executive Officer decide on: a) the necessity of creating positions of Deputy Chief Executive Officers, as well as on their number and competences thereof, b) the basic organization of the Company divided into Divisions and Business Units, which constitute the highest administrative level of its organizational structure, c) the creation of positions of Chief Officers and their competences.
5. The Board of Directors may, upon recommendation of the Chief Executive Officer, delegate part of its administration and representation competences, except for those which, pursuant to the Law and the present Articles of Incorporation require collective action or fall within the exclusive jurisdiction of the Chief Executive Officer in accordance with Article 15 of the Articles of Incorporation, as well as the administration or supervision of the affairs or the representation of the Company to the Chairman, to the Chief Executive Officer, to the Deputy Chief Executive Officers, to one or more of the Board Members, to the Executive Committee, to the Chief Officers, to the Directors or to employees of the Company. The aforementioned persons to whom the competences described above are delegated and who do not have the capacity of Board Member carry the same responsibility towards the Company as the members of the Board of Directors, pursuant to article 102 of L. 4548/2018 as applicable and to article 12 of the Company's Articles of Incorporation.

6.3. Convocation and Functioning of the Board of Directors.

The Board of Directors (article 11 of the Articles of Incorporation) shall meet at the seat of the Company and/or outside its seat at the facilities of PPC at Kozani, Megalopoli and Aliveri, upon the call of the Chairman or his substitute on such day and hour as determined by him, whenever required following the needs of the Company.

The Board of Directors may lawfully meet by way of teleconference with some or all Board members, upon invitation to the Board members, which shall include all necessary information and technical instructions with respect to their participation in the meeting. In any case, any Board member may request the holding of meeting by way of teleconference if he resides in a country other than the one where the meeting is to be held or if there is any other serious reason, especially illness or disability.

The General Counsel may attend the meetings of the Board of Directors, unless otherwise decided by the Board of Directors, without having the right to vote.

The drawing up and the signing of the minutes by all the members of the Board of Directors or their representatives is equal to a resolution of the Board of Directors, even if no meeting has proceeded. The above section shall also apply if all Board members or their representatives agree to record their majority decision in the minutes, without holding a meeting. The relevant minutes shall be signed by all members and shall be entered in the minute's book in accordance with article 93 of L. 4548/2018.

The signatures of the Board Members or their representatives may be substituted with the exchange of messages via email or other electronic communication devices.

6.4. Liability of the Board Members.

Each Board Member shall be liable (article 12 of the Articles of Incorporation) vis-a-vis the Company, in accordance with articles 96 to 102 of L. 4548/2018, for any fault committed, due to an action or omission during the performance of their duties, which constitute violation of their duties in accordance with the Law and the Articles of incorporation, as applicable. In particular, Board Members and third parties to whom duties may have been assigned by the Board of Directors, shall be obliged to disclose to the Board of Directors, promptly and sufficiently, any conflict of interests which may arise during the performance of their duties between themselves or other persons with whom they have close relations and the Company or the companies of its Group. The aforementioned persons shall be obliged to refrain from any action related to corporate actions, which may give rise to such conflict of interests until the date on which the Company will examine the conflict of interest declaration.

The Board Members shall be bound, inter alia, to handle the corporate affairs with a view to promoting corporate interest, to monitor the execution of the resolutions of the Board of Directors and of the General Meeting, as well as to brief the other Board Members on any corporate affairs.

The Board Members and any third party to whom the Board of Directors has assigned any of its competences shall be bound to keep absolute secrecy with regard to all confidential information in respect of the affairs of the Company coming to their knowledge in their capacity as Board Members.

The provisions of articles 99 to 101 of L. 4548/2018, which include regulations concerning transactions with related parties shall also apply to Chief Officers and Directors of the Company.

6.5. Prohibition of competition - Participation in the Board of Directors of subsidiary companies.

The members of the Board of Directors, who participate in any way whatsoever in the management of the Company, the Deputy Chief Executive Officers, the Chief Officers, as well as the Directors shall not be allowed (article 13 of the Articles of Incorporation) to perform on occasion or by profession, without the authorization of the General Meeting of the Company's shareholders, either on their own behalf or on behalf of third parties, acts falling within the object of the Company or be members of Boards of Directors, executives, employees or representatives of companies pursuing aims similar to those of the Company, as well as participate as general partners or single shareholders or partners in companies or joint ventures or be members of investment committees which pursue aims similar to those of the Company. The subsidiary companies of the Company or the companies in the capital of which the Company participates shall not be subject to the abovementioned prohibition.

The prohibition referred to above shall be valid for a period of two years following expiry for any reason whatsoever of the term of office of the Board Member or following his/her retirement from the Board or following retirement from the Company of an officer or employee, who participated in the Executive Committee of the Company.

6.6. Chairman and Vice Chairman of the Board of Directors.

The Board of Directors or the General Meeting of the Company's shareholders shall elect its Chairman (article 14 of the Articles of Incorporation), as well as its Vice Chairman. The capacity of the Chairman of the Board of Directors may coincide with that of the Chief Executive Officer. The Board of Directors may substitute the Chairman and the Vice Chairman at any time. In the event that the abovementioned persons have been appointed by the General Meeting, their substitution by the Board of Directors shall be effected by a two thirds (2/3) majority of the totality of its members.

The Chairman shall represent the Company and monitor the implementation of the resolutions of the Board of Directors. He/She shall convene the Board, preside at the meetings thereof, determine the items on the agenda, conduct the meetings and put said items under vote.

6.7. Chief Executive Officer.

The Chief Executive Officer of the Company (article 15 of the Articles of Incorporation) shall be elected by the General Meeting of shareholders for a three-year term of office.

The Chief Executive Officer shall be the highest-ranking executive officer of the Company, he/she shall be at the head of all the services thereof, conduct their activities, decide on the further organization of the Company within the scope of the present Articles of Incorporation and the relevant resolutions of the Board of Directors, make the necessary decisions pursuant to the provisions governing the operation of the Company, the approved plans and budgets, the Strategic Plan (S.P.), the Business Plan (B.P.) and the terms of the Management Contract he/she has entered into with the Company pursuant to Article 16 of the Articles of Incorporation. The Chief Executive Officer shall represent the Company within the limits of his duties subject to the present Articles of Incorporation or the resolutions of the Board of Directors and may authorize or empower other persons, members of the Board or low-ranking or high-ranking executives of the Company, as well as any kind of PPC employees, to represent him/her.

The Chief Executive Officer shall have the following duties, delegated by the Articles of Incorporation of the Company, as well as any other duties, which shall be delegated to him/her upon resolution of the Board of Directors. He/she shall:

a. Submit to the Board of Directors of the Company the proposals and recommendations required for the attainment of the Company's objects, as specified in the Strategic Plan and the Business Plan.
b. Make decisions on the awarding of contracts of a value to be determined on each occasion by resolution of the Board of Directors.

6.8. Executive Committee.

An Executive Committee (EC) (article 18a of the Articles of Incorporation) shall be formed within the Company. The EC shall be composed of the Chief Executive Officer who acts as its Chairman, the Deputy Chief Executive Officers, if any, and the Chief Officers.

The EC shall operate in conformity with the decisions of the Board of Directors, ensuring the necessary collective handling of administrative and operational issues of the Company, as well as the consistency in its operation. Within this framework, the EC shall be responsible for important matters concerning inter alia the productivity, the performance of the Company units, the organization and operation of activities of the Company, as well as for the budget and the Strategic and the Business Planning. Moreover, the EC shall decide on the awarding of contracts concerning supplies, provision of services and, in general, any kind of financial contract up to an amount fixed as per case by the Board of Directors.

The EC shall operate in accordance with its Rules of Procedure, as approved by the Board of Directors upon recommendation by the Chief Executive Officer.

6.9. Deputy Chief Executive Officers.

The Deputy Chief Executive Officers (article 15a of the Articles of Incorporation) shall report to the Chief Executive Officer and shall be at the head of wider business activities structured into Divisions and Business Units. They may be Members of the Board of Directors among those elected by the General Meeting of the shareholders of the Company.

The number and duties of the Deputy Chief Executive Officers shall be determined by the Board of Directors upon recommendation of the Chief Executive Officer.

The Deputy Chief Executive Officers shall be selected through public call and appointed, pursuant to the law, by decision of the Company's Chief Executive Officer with whom they shall sign fixed-term contracts with a maximum term of three (3) years, which may be renewed only once. The Deputy Chief Executive Officers, in case they are also members of the Board of Directors elected by the Shareholders' General Meeting, shall be appointed by decision of the Board of Directors and upon recommendation by the Chief Executive Officer. The procedure for their recruitment and the policy for their remuneration shall be approved by the General Meeting following recommendation of the Remuneration and Recruitment Committee of article 17 of the Articles of Incorporation. The recruitment criteria, the contract period and the remaining terms of the relevant contracts, which shall refer among others to their evaluation as provided for by the Company's Operation Regulation, shall be established by decision of the Chief Executive Officer. Personnel of the Company and candidates from outside the Company may participate in the recruitment procedure.

The Chief Officers (article 18 of the Articles of Incorporation) shall be high-ranking executives of the Company at the head of independent sectors of the Company's business activities. They shall report to the Chief Executive Officer or/ and to the Deputy Executive Officers. In the event that there is a vacancy in the office of a Chief Officer or the latter is temporarily unable to execute his duties or is absent for any reason whatsoever, he shall be temporarily substituted by another Chief Officer or Director of the Company upon decision of the Chief Executive Officer.

The number and duties of the Chief Officers, as well as of the Divisions and Business Units shall be determined by the Board of Directors upon recommendation of the Chief Executive Officer. The Chief Officers shall be selected through public call and shall be appointed, pursuant to par. 1 of article 4 of L. 4643/2019, by decision of the Chief Executive Officer of the Company, with whom they shall sign fixed-term contracts with a maximum term of three (3) years, which may be renewed only once. The procedure for their recruitment and the policy for their remuneration shall be approved by the General Meeting following recommendation of the Remuneration and Recruitment Committee of article 17 of the Articles of Incorporation. Personnel of the Company and candidates from outside the Company may participate in the recruitment procedure.

The recruitment criteria, the contract period and the remaining terms of the relevant contracts, which shall refer among others to their remuneration, any other benefits, as well as to their evaluation as more specifically provided for by the Company's Operation Regulation, shall be established by decision of the Chief Executive Officer.

6.10. Remuneration and Compensation of Board Members – Remuneration and Recruitment Committee.

1. The Company shall establish a remuneration policy (article 17 of the Articles of Incorporation) and shall draw up a remuneration report, pursuant to articles 110 to 112 of L. 4548/2018, article 5 of L. 3016/2002, as well as to articles 4. par. 1 and 2 and 5 of L. 4643/2019 as applicable, for the members of the Board of Directors, the Deputy Chief Executive Officers, the Chief Officers, the Directors and the Assistant Directors/ Head of Units of the Company, following relevant recommendation of the Remuneration and Recruitment Committee to the Board of Directors of the Company to be approved by the General Meeting.
2. The Remuneration and Recruitment Committee of the Company shall have the competences and the functioning specified in article 5 of L. 4643/2019 and shall consist of three (3) non-executive Board Members of the Company, independent within the meaning of L. 3016/2002 as in force. The term of office of the members shall be three (3) years and may be renewed only once; it may be extended ipso jure pursuant to article 85 par. 1 item (c) of L. 4548/2018 until relevant decision-making by the first Ordinary General Meeting to be held after its expiration and shall be terminated when losing the capacity as Board Member in any way whatsoever.

6.11. Board of Directors Committees.

The Company aiming at constantly adopting and implementing the best practices of corporate government has set up the following committees whether provided for by law (L. 3016/2002, L. 3693/2008, L. 4449/2017, L. 4643/2019) or not.

Specifically, in compliance with the applicable legislation for Corporate Governance as well as in line with the best practices of corporate governance, the Board of Directors of the Company has set up the following Committees:

— Audit Committee.
— Nominations Committee.
— Remuneration and Recruitment Committee.

More specifically:

6.11.1. Audit Committee.

The Internal Audit System (IAS) ensures the continuous implementation of the business strategy through the efficient use of the available resources, the identification of all risks assumed, as well as the completeness and reliability of the data and information required for the accurate and timely determination of the financial situation of the Company and the preparation of reliable financial statements.

Moreover, it ensures the compliance with the applicable legal framework, the internal regulations and the ethics rules, the prevention and avoidance of wrong actions that may compromise the repute and the interests of the Company as well as the efficient operation of the information systems for the safe circulation, processing and storage of critical business information.

In the context of the IAS and based on the regulatory framework, the Company has established the Internal Audit Department, the Risk Management Department and the Compliance Department.

Pursuant to article 44 of L. 4449/2017 (NOG vol. A issue 7/24.01.2017) on the form and composition of the Audit Committee, it is provided for that the latter shall consist of at least three members, Non-Executive Members of the Board of Directors and nonmembers of the Board of Directors, to be elected by the General Meeting of the Company. The members shall be elected for a three-year term of office, which may be renewed only once, while the term of office of the members of the Board of Directors shall be terminated when losing in any way whatsoever the capacity of member of the Board of Directors of the Company.

Currently, pursuant to the provisions of article 9 of L. 4643/2019 the Audit Committee consists of five members elected by the General Meeting as follows:

a. Three (3) members at least, by virtue of article 44 of L. 4449/2017, which can be members or non-members of the Board. In general, any combination can be accepted, provided that there is at least one Board member. These members shall be in their totality non-executive members of the Board and in their majority independent of the Company within the meaning of the provisions of L. 3016/2002 (NOG A' 110), while at least one (1), pursuant to article 74 of L. 4706/2020 shall have sufficient knowledge and experience of accountancy and auditing.
b. Two (2) more members, by virtue of article 9 L. 4643/2019, elected from a list of persons with proven experience in the field of works, supplies and services contracts, which shall be independent of the Company within the meaning of the provisions of L. 3016/2002 (NOG A'110).

The members of the Audit Committee shall meet the eligibility criteria, as these are described in the applicable legal and regulatory framework, while the number of its members and their total combined knowledge must reflect the business model and the financial situation of the Company.

The Chairman of the Audit Committee by virtue of article 74 of L. 4706/2020 shall be appointed by the members of the Audit Committee and shall be independent of the Company within the meaning of the provisions of L. 3016/2002 (NOG A'110).

The members of the Audit Committee, without altering or restricting their obligations as members of the Board of Directors, shall undertake the obligations provided for by the legislation on corporate governance as applicable each time and by L. 4643/2019, which include:

– The follow-up of the financial information procedure and the submission of recommendations or proposals for ensuring its integrity.
– The follow-up of the efficient operation of the internal audit system, the quality assurance system and the risk management system, as well as the follow-up of the proper operation of the Internal Audit Department, in particular with regard to the Company's financial information, while preserving its independence.
– The follow-up of the process of compulsory audit of stand-alone and consolidated financial statements and the process of informing the Board of Directors on its results, by means of explaining its contribution to the quality and integrity of the financial information and the role of the Audit Committee in the said process.
– The review and follow-up of issues related to the objectivity and independence of chartered auditors- accountants or the audit firms, particularly with regard to other non-audit services they provide to the Company and its subsidiaries.
– The responsibility for the selection process of chartered auditors-accountants or audit firms.
– The audit and the monitoring of the proper implementation of the Works, Supplies and Services Regulation of the Company on a random basis.
– The submission of an annual report to the Board of Directors on the efficiency of the awarding of works, supplies and services contracts, based on specific indices, aiming to enhance efficiency, reduce relative risks and link the Purchasing function with corporate strategy and policies.
– The recommendation to the Board of Directors for amendments to the Works, Supplies and Services Regulation and in general for measures to improve the efficiency of the Purchasing function.

The recommendation of the Board of Directors to the General Meeting for the appointment of chartered auditors- accountant or audit firms shall be submitted following proposal of the Audit Committee.

The chartered auditors-accountants shall be obliged to report to the Audit Committee any issue regarding the process and results of the compulsory audit, as well as to submit a separate additional report on the weaknesses of the internal audit system, and in particular the weaknesses in the procedures concerning financial information and the preparation of financial statements.

In order to perform their duties, the members of the Audit Committee shall have the right to take cognizance of the relevant files, documents or data of the Company.

The Audit Committee operates pursuant to its Rules of Operation, which are approved by the Board of Directors following its proposal. It shall meet on a regular basis as well as on a non-regular basis whenever circumstances so require. In any case, minutes shall be kept recording its actions and the results thereof with regard to the performance of its duties. It may invite, when deemed appropriate, managers participating in the administration of the Company, including the Chief Executive Officer, the Chief Financial Officer and the Director of the Internal Audit Department, in order to attend specific meetings or specific items on the agenda of its meetings.

With regard to the Audit's Committee structure and composition, at the Company's Annual Ordinary General Meeting held on 27 June 2019, a new three-member committee was elected pursuant to article 44 of l. 4449/2017. The Audit Committee consisted of independent, within the meaning of the provisions of L. 3016/2002, members of the Board of Directors of the Company. The structure and composition of the Audit Committee were as follows:
Mr. G. Venieris – Independent Non-Executive Member of the BoD, Chairman of the Audit Committee, Mr. Ch. Papageorgiou – Independent Non-Executive Member of the BoD, and Ms. Despina Doxaki – Independent Non-Executive Member of the BoD.

At the Extraordinary General Meeting held on 22.08.2019, Mr. Stefanos Kardamakis was elected as Independent Member of the BoD of the Company and member of the Audit Committee to replace the resigned member Mr. Christos Papageorgiou.

Therefore, on December 31, 2019 the Audit Committee consisted of:
- Georgios Venieris, Independent – Non-Executive Member of the BoD, Chairman of the Audit Committee for a 3-year term of office, namely from 27.06.2019 until 26.06.2022.
- Despina Doxaki, Independent – Non-Executive Member of the BoD for a three-year term of office, namely from 27.06.2019 until 26.06.2022, and
- Stefanos Kardamakis, Independent Non-Executive Member of the BoD for a three-year term of office, namely from 22.08.2019 until 21.08.2022.

By virtue of article 9 of L. 4643/2019, with a view to elect and add two (2) more members to the Audit Committee which shall be selected from a list of persons with proven knowledge in the field of works, supplies and services contracts and which shall be independent to the Company within the meaning of L. 3016/2002 (NOG A 110), the Company convened an Extraordinary General Meeting of the Shareholders on 8.5.2020 which elected Mr. Evaggelos Aggeletopoulos and Mr. Aimilios Stasinopoulos as Members of the Audit Committee, pursuant to par. 1 article 9 of L. 4643/2019, for a three-year term of office, namely from 08.05.2020 until 07.05.2023.

Therefore, on December 31, 2020 the Audit Committee consisted of:
- Georgios Venieris, Independent – Non-Executive Member of the BoD, Chairman of the Audit Committee for a 3-year term of office, namely from 27.06.2019 until 26.06.2022.
- Despina Doxaki, Independent – Non-Executive Member of the BoD for a three-year term of office, namely from 27.06.2019 until 26.06.2022,
- Stefanos Kardamakis, Independent Non-Executive Member of the BoD for a three-year term of office, namely from 22.08.2019 until 21.08.2022,
- Evaggelos Aggeletopoulos, Member of the AC for a three-year term of office, namely from 08.05.2020 until 07.05.2023, and
- Aimilios Stasinakis, Member of the AC for a three-year term of office, namely from 08.05.2020 until 07.05.2023.

In 2020, the Audit Committee, within the framework of its competencies, met twenty-three (23) times. These meetings pertained to:
- The follow-up of the financial information procedure and the follow-up of the process of compulsory audit of the stand-alone and consolidated financial statements of the Company for the year 2019.
- The review of the First Half 2020 and the Nine Month 2020 stand-alone and consolidated financial statements of the Company by its Chartered Auditors-Accountants.
- Meetings with the Chartered Auditors-Accountants for issues that arose during the audit of the stand-alone and consolidated financial statements of the Company.
- The internally prepared First Quarter 2020 stand-alone and consolidated financial statements of the Company, as well as the key financial results published for the respective periods.
- The update of the Audit Committee regarding the amount of the letters of guarantee issued and in effect for the Second Half of 2019.
- The findings of the audits conducted by the Internal Audit Department.
- Issues arising from the operation of the Internal Audit Department.
- Issues pertaining to the reorganization and the digitalization of the Company.

During 2020, Mr. G. Venieris participated in 23 meetings, Mr. S. Kardamakis in 23 meetings, Ms. D. Doxaki in 18 meetings, Mr. Evaggelos Aggeletopoulos in 13 meetings and Mr. Aimilios Stasinakis in 13 meetings.

6.11.2. Remuneration and Recruitment Committee.

The Company has setup a Remuneration and Recruitment Committee consisting of three (3) non-executive members of the Board of Directors, independent within the meaning of the provisions of L. 3016/2002, as in force. The term of office of its members is three years and may be renewed only once. Moreover, it may be extended ipso jure pursuant to article 85 par. 1 item (c) of L. 4548/2018, until decision-making by the first Ordinary General Meeting to be held following its expiration and terminates when losing in any way whatsoever the capacity of Board Member.

The duties of the Committee, in particular pursuant to L. 4643/2019, are the following:
a. recommendation to the Board of Directors on the determination of the recruitment policy for open-ended contracts within the framework of the Business Plan.
b. recommendation to the Board of Directors on the determination of the recruitment process for Deputy CEOs, Chief Officers, Directors, Assistant Directors/Heads of Units, to be approved by the General Meeting.
c. recommendation to the Board of Directors on the remuneration policy under articles 110-112 of L. 4548/2018 (NOG A' 104), to be approved by the General Meeting:
   i. for the Board Members and
   ii. for the Deputy CEOs, Chief Officers, Directors, Assistant Directors/Heads of Units.

The Remuneration and Recruitment Committee operates pursuant to its Rules of Operation, which are approved by the Board of Directors following its proposal. It shall meet on a regular basis as well as on a non-regular basis whenever circumstances so require. In any case, minutes shall be kept recording the relevant discussions and its proposals. It may invite, when deemed appropriate, managers participating in the administration of the Company, in order to attend the discussions and express their views in matters falling within their competence or even to submit in writing and support their reports-proposals.

On 31 December 2020, the Committee consisted of Mr. P. Papadimitriou (Vice-Chairman, Non-Executive Member of the BoD), Ms. D. Doxaki (Independent – Non-Executive Member of the BoD) and Mr. S. Kardamakis (Independent – Non- Executive Member of the BoD).

The aforementioned members of the Committee were appointed on 22.08.2019 to replace Mr. G. Venieris, Mr. F. Topalis and Ms. M. Founti who were appointed on 14.05.2019. Mr. F. Topalis had replaced Mr. D. Vassilakis.

As already mentioned, the Company is subject to specific laws and regulations, which apply to the wider public sector companies. As long as the Hellenic Republic holds even indirectly 51% of its share capital, PPC shall continue to be considered as a Company of the Greek Wider Public Sector in certain areas. Consequently, its business shall continue to be subject to the laws and provisions, which are applicable to the Greek Wider Public Sector companies and shall affect specific procedures.

By virtue of L. 3833/2010, L. 3845/2010, 4092/2012 and 4354/2015, the remuneration of the collective governing bodies and of the members of the Board of Directors were reduced by 50% per meeting. In parallel, the remuneration of the executives may in no case exceed the ceiling set forth by the said laws.

By virtue of L. 4354/2015 (article 28), since 01.01.2016, the remuneration of the Chairmen, Vice-Chairmen, Chief Executive Officers and Members of the Board of Directors of the legal entities as specified in Chapter B' of L. 3429/2005, are exempted from the above mentioned ceiling. Under L. 4643/2019 the remunerations of the members of the BoD were excluded from any restriction and are since determined by the General Meeting pursuant to articles 110-112 of L. 4548/2018 and the same applies to the remuneration of senior managers and managers who are recruited, pursuant to the provision of the same law, through public call. The Company has set, in accordance with the aforementioned articles, a Remuneration Policy, which was approved by the General Meeting held on 23.12.2019 and was posted on the Company's website. The Remuneration Report concerning the Board Members for the year 2019 was approved by the General Meeting held on 24 June 2020, pursuant to article 112 of L.4548/2018, as applicable.

6.11.3. A **Nominations Committee,** consisting of at least three (3) members of the Board of Directors of the Company, independent in their majority, is responsible for the examination of the nominations for membership on the Board of Directors.

On 31 December 2020, the Nominations Committee consisted of Mr. Pyrros Papadimitriou, Vice-Chairman of the BoD (Non-Executive Member of the BoD, Mr. G. Venieris (Independent – Non-Executive Member of the BoD) and Mr. A. Economou (General Counsel, Chief Legal Affairs and Corporate Governance Officer).

Pursuant to par. 5 article 9 of the Articles of Incorporation, the Committee examines any impediments or incompatibilities as well as the criteria of independence (especially in case of appointment of Independent Members) for all nominations for membership on the Board of Directors of the Company submitted in accordance with L. 3016/2002 and L. 4548/2018, as applicable. Specifically, the said Committee examines on one hand for all new members the existence of any conflict of interest, which may not be lifted and on the other for the Independent Members, all evidence provided for in the applicable legislation of corporate governance and leading to a dependency relationship with the Company or with persons associated with the Company. Moreover, the Committee evaluates periodically the size and the composition of the Board of Directors and submits proposals on the diversity policy to be adopted by the Board of Directors and in general on the implementation of the provisions of the relevant legislation, as applicable each time.

6.11.4. Finally, it is noted that the Board of Directors has authorized the Chief Executive Officer to appoint the members of the Committee and assign them the following duties:

a) monitoring of the implementation of the BoD decisions on the strategy of greenhouse gas emission allowance trading and the observance of the established procedures,
b) the functional policy of greenhouse gas emission allowance trading, and
c) the information to the BoD on the transactions performed. By decision of the Chief Executive Officer (24/2020), three (3) Chief Officers of the Company were appointed as members of this Committee.

6.12. Composition (Members) PPC S.A. BOARD OF DIRECTORS

PPC S.A. BOARD OF DIRECTORS (31.12.2020)			
STASSIS Georgios	Chairman of the BoD & Chief Executive Officer Executive Member	Term of office starting on: 22.08.2019	Term of office ending on: 21.08.2022
PAPADIMITRIOU Pyrros	Vice Chairman of the BoD Non-Executive Member	Term of office Starting on: 22.08.2019	Term of office ending on: 21.08.2022
KARAKOUSIS Georgios	Deputy Chief Executive Officer- Executive Member	Term of office Starting on: 19.11.2019	Term of office ending on: 16.12.2021
PATERAKIS Alexandros	Deputy Chief Executive Officer- Executive Member	Term of office Starting on: 22.08.2019	Term of office ending on: 21.08.2022

PPC S.A. BOARD OF DIRECTORS (31.12.2020)			
Members			
VENIERIS Georgios	Independent - Non Executive Member	Term of office starting on: 17.12.2018	Term of office ending on: 16.12.2021
DOXAKI Despina	Independent - Non Executive Member	Term of office starting on: 27.06.2019	Term of office ending on: 26.06.2022
THEODORIDIS Stephanos	Independent - Non Executive Member	Term of office starting on: 22.08.2019	Term of office ending on: 21.08.2022
KARDAMAKIS Stefanos	Independent - Non Executive Member	Term of office starting on: 22.08.2019	Term of office ending on: 21.08.2022
PANAGIOTAKIS Michael	Independent - Non Executive Member	Term of office starting on: 19.05.2020	Term of office ending on: 21.08.2022
KARALEFTHERIS Pantelis	Non Executive Member - Representative of Employees	Term of office starting on: 07.06.2019	Term of office ending on: 06.06.2022
FOTOPOULOS Nikolaos	Non Executive Member - Representative of Employees	Term of office starting on: 07.06.2019	Term of office ending on: 06.06.2022

In its meeting held on 21.01.2020, PPC S.A. Board of Directors appointed its member Mr. Alex. Paterakis as Executive Member of the PPC S.A. Board of Directors, following his appointment on 20.01.2020 as Deputy Chief Executive Officer of the Company.

In its meeting held on 19.05.2020, PPC S.A. Board of Directors elected of Mr. Michael Panagiotakis as Member of the Board of Directors (Independent Non-Executive Member), following the resignation from the Board of Mr. Anastasios Vlassopoulos (Independent Non-Executive Member), for the remaining term of office of the resigned Member as above, namely until 21.08.2022.

The total number of meetings of the Board of Directors during the year 2020 was 21. The participation frequency of each member at the BoD meetings is as follows:

S/N	MEMBERS	BoD MEETINGS IN 2020
1	GEORGIOS STASSIS	21
2	PYRROS PAPADIMITRIOU	20
3	GEORGIOS VENIERIS	21
4	ANASTASIOS VLASSOPOULOS	2
5	DESPINA DOXAKI	18
6	STEFANOS THEODORIDIS	11
7	GEORGIOS KARAKOUSIS	21
8	PANTELIS KARALEFTHERIS	21
9	STEFANOS KARDAMAKIS	21
10	MICHAEL PANAGIOTAKIS	11
11	ALEXANDROS PATERAKIS	20
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CVs of the Board Members

Georgios Stassis, Chairman & CEO.
Mr. Stassis has more than 14 years of experience in the energy market.
He has held important positions in various organizations and associations within the energy sector in Greece and the southeast Europe, and within all parts of an electricity utility value chain (generation, distribution, supply).
Previously worked for ENEL SpA, as President & CEO of Enel Romania SrL., the largest vertical integrated energy company in Romania, and before as head of Green Power for Eastern Europe and Middle East.
Mr. Stassis holds a bachelor's degree in Civil Engineering and a master's degree in Management in Construction and Structural Design from Kingston University (UK), and has attended Executive Courses at Harvard Business School (US) and at Elis Academy (Italy).

Pyrros Papadimitriou, Vice Chairman.
Pyrros Papadimitriou is an economist, lawyer and associate professor in International Economic Relations at the University of Peloponnese. He holds a Degree in Political Science & Public Administration from the University of Athens, a Law Degree from Athens Law School, a Post,Graduate Diploma in Economics from Sussex University, a Master's degree in Economics and a Ph.D. in Economics (1992) both from Kent University at the UK. In the past he worked as a financial analyst at Gerald & National Inter Commodities in London (1989-1990) and continued as a researcher at the Foundation for Economic & Industrial Research in Athens (1994-1995), manager in the Sectoral Research & Analysis Department of ALPHA Bank (1995,1996), advisor to the European Parliament (1996,1998) and director of Consulting Services at ICAP S.A. (1999-2000). In 1996 Pyrros founded HEADWAY Economic Consultants Ltd and still remains the main shareholder of the Company. Between 2006-2015 as a co,founder, Pyrros cooperated with Four Assist Development Consulting Ltd, which mainly undertakes projects in the field of Public Financial Management and Economic Development in developing countries. In the period 2007,2009, Pyrros, as Chairman and Chief Executive Officer, ran the privatization project of Olympic Airlines, Olympic Airways – Services and Olympic Aviation. From August 2012 to June 2014 he has been appointed Coordinator of the Privatization of the Greek Regional Airports, a project that has also been concluded successfully with the acquisition of the airports from Fraport AG. During the last years, Pyrros, apart from his academic duties and involvement with Headway Economic Consultants Ltd, implements various consulting projects for governments in the developing word in the field of public financial management and employment. From October 2019 is also the general director of REFRAME ASBL, a Belgian research institute that focuses on policy design through impact assessment evaluation.

George Karakousis, Deputy Chief Executive Officer.
George Karakousis is a commercial executive with significant experience in building innovative products and services with a customer,first approach. He has successfully designed and implemented the commercial strategy for large corporations in Greece and the UK and has led significant commercial transformation projects.
Over the past fifteen years he has held commercial roles of increasing responsibility in companies such as Forthnet and Wind Hellas, successfully introducing new products and services. In the UK he was responsible for Talk Talk's product portfolio re,design, while in British Telecoms (BT) he was at the helm of the biggest service transformation project for over nine million customers. In addition, he has undertaken consulting work on product and proposition design for technology start,ups.
He holds an Electrical & Computer Engineering degree from the National Technical University of Athens, a master's degree (MSc) from Imperial College London and an MBA from ALBA Graduate Business School.

Alexander Paterakis, Deputy Chief Executive Officer.
He holds a BSc in Computer Engineering and Mathematics from the University of La Verne. Alexander Paterakis began his career as a Network Engineer and subsequently held a series of senior IT positions such as Head of Consulting Division in MicroAge, Management Consultant in Arthur Andersen (now Accenture) in the UK as well as in Greece. In 2003 he served as Information Technology Director at Tellas, a fixed & broadband Greek operator. Then he joined Vodafone where he was promoted to CIO. He moved in Etihad Etisalat (Mobily), where he appointed as a Chairman of Mobily Infotech India Pvt Ltd and completed his career as a CIO in Saudi Arabia driving the ICT transformation. Since 2016 he provides business consulting services focusing in digital strategy field. Since 2018 he holds the position of CIO in AXIATA Celcom, a telecommunication provider in Malaysia.

George Venieris, Member.
Mr. Georgios Venieris was born in Ermoupolis, Syros, in 1947. He is married and father of two children. He graduated from the Athens Supreme School of Economics and Business and holds a MSc in Commerce and a Ph.D. from the Department of Accounting of the Birmingham University, UK.
He was elected Associate Professor (1982) and later Professor of Accounting (1991) at the Athens University of Economics and Business (AUEB). He has taught Accounting at both undergraduate and postgraduate levels. He was Visiting Professor at the Business Administration School of the York University in Toronto, Canada (1988). He served as Rector of the Athens University of Economics and Business (2001-2007), Vice Rector of Financial Planning and Development and President of the Research Committee of the Special Account for Research Funds (1998-2001), CEO and Chairman of the Board of Directors of the AUEB Property Management and Development S.A. (1996-2007).
He was elected Chairman of the Department of Business Administration and the Department of Accounting and Finance of the AUEB, Co,director of the Inter,University (in collaboration with the National Technical University of Athens) MBA Program (2000-2014) and member of the Governing Board of the International Hellenic University (2013-2016). He was Responsible for the Accounting Applications Laboratory of the Accounting and Finance Department of the AUEB (2000-2014). He served as Chairman of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversite Board (2014,2017), Chairman (1990,1991) of the Committee on the Reform of the Code for Books and Records, Chairman of the Public Expenditure Review Committee, President of the Examination Committee for the acquisition of the Professional Practice License of Certified Public Accountant and President of the Committee on Exemptions from these examinations, Advisor to the Minister of Finance for setting up the Charts of Accounts of Public Law Entities and Chairman of the Committee of Experts of the National Council on Competitiveness and Development of the Ministry of Development. He has published a considerable number of monographs and articles in Greek and International Scientific Journals. He has delivered presentations at several International Scientific Conferences. He is author/co,author of ten university textbooks on Cost and Management Accounting and editor,translator of 2 books on Accounting.

Despina Doxaki, Member.
Despina Doxaki has an accumulated professional experience of over 29 years in the area of international cross border transactions, corporate transformations, ECM, debt,equity structuring and policy making in the financial sector, energy and infrastructure. She returned to Athens in July of 2018 to hold the position of Chief Legal Counsel with the Hellenic Financial Stability Fund. During her carrier she has worked in London as partner /counsel with Chadbourne/NRF, Shearman and Milbank and in Brussels with Stanbrook & Hooper (McDermont & Ellis). She has also worked with the EU Commission, Alpha Bank AE, KPMG, Ellactor (CIS) and KG Law Firm. She has working experience in Athens London and Brussels, in multicultural working environments, is bilingual in Greek and English and speaks also French. She holds a BA in Law from Athens University and an LLM in European Law from the Institute of European Studies and Policy of the Free University in Brussels.

Stephanos Theodoridis, Member.
Mr. Stefanos Theodoridis has served for more than 35 years as Senior Executive of business groups in Greece and abroad, of which 25 years as Managing Director. From 1989 to 2006, Mr. Theodoridis was the Managing Director at DIAGEO S.A., initially for Greece and subsequently for Southern & Eastern Europe, with responsibility for 18 markets. In this capacity, was also a member of the European Executive Committee of the Company. From 2006 to 2011, Mr. Theodoridis was CEO of HYATT/REGENCY SA, a leading Company in Tourism & Leisure sector. Since 2012 holds the position of the Managing Director of TEMES S.A., a leading investor, developer and operator in the high-end tourism destination and real estate sector in Greece. Alongside his current position serves as Vice Chairman of PREZIOSI Group in Greece & Turkey, BoD and ExCo of IOBE and Member of General Council of SEV.

Stefanos Kardamakis, Member.
Born in Athens in 1967. He graduated from the Department of Mechanical Engineering from the National Technical University of Athens in 1991. He obtained an MSc in Shipping, Trade & Finance from the City University, Cass Business School in London. He started his professional career in 1993 from the technical department of Adelphia Shipping Enterprises, a Greek Shipping Company. In 1994 he was hired from ABN AMRO Bank as Relationship Officer in the Greek Shipping Unit of the Bank where he was promoted to a Vice President of the Shipping Unit. In 2004 he assumed the position of the Head of Shipping in Egnatia Bank, to establish a shipping portfolio at that time. During his 14 years' career in the banking sector he dealt with the evaluation of new credit proposals, corporate finance transactions and treasury products, structuring and selling of syndicated facilities for large Greek shipping companies. Moreover, he focused on the improvement of the procedures and introduction of new processes ensuring the smooth operation, monitoring and improvement of the credit & operational risks, and also the restructuring of non,performing loans. In 2008, he assumed the position of the CFO of Conbulk Shipping S.A. a fast, developing container vessel operator and since 2019 he also serves as COO of the Company, being responsible, except for the financial management, for all operational, technical and procurement matters.

Michael (Michalis) Panagiotakis, Member.
Michalis Panagiotakis was born in the year 1973 in Athens. During the last six years, he held the position of Deputy CEO for five years while in the last year he held the position of CEO in Dodoni SA, the Dairy Company of Epirus, one of the biggest food industries in Greece. He acquires more than 20 years of professional experience in C,level managerial positions, coming from service into both the food industry but also the Public Governance sector and acted as General Manager in STASY SA, EOMMEX SA and Tram SA respectively.
Moreover, Mr. Panagiotakis participates in the investment group Lime Capital Partners and SI Foods during the last 6 years.
During the period 2000,2007, he had served as General Manager in the Blauel SA Company, specializing in the production and Exporting of Olive Oil.
As of 2005 to date, he has been active in the Tourism industry, and since 2012 he established THE DIVINE VILLAS Ltd., a Company whose main specialty is villa management across the nation.
He holds an MBA and Economics degree from the University of Hull in UK.

Pantelis Karaleftheris, Member, Representative of the Employees.
Mr. Pantelis Karaleftheris was born in 1962 in Ardassa of Ptolemaida.
He is qualified electrical foreman and works for PPC SA Mines.
From 1984 to 1987 he worked as electrical technician at the project construction companies PPC ASPATE – ALSTHOM and BIOKAT.
In 1987 he was hired at the Main Field Mine of PPC as electrician of fixed equipment maintenance and failure restoration.
He has served as President of the Coordination Body of Students of the Democritos and the Professional and Technical School of Thessaloniki (KETE).
He is very interested in folklore and has made many research trips in Asia Minor, Pontus and the Black Sea.
He has been a founding member of the 1st administration of Pontian Greek Youth and member of the Board of Directors of the International Confederation of Pontian Greeks.
Since 1994 he is senior member of PPC trade union and has participated in many European and Word Conferences on carbon, energy and the Environment.
For six years he has served as General Secretary of the SPARTAKOS trade union, while he was Deputy Secretary of GENOP/PPC for six years (2008-2013). Later he was elected representative of the employees on the Board of Directors of PPC S.A.
He has graduated the Academy of KANEP of the GGCL and trains trainers in lifelong learning.
He is married and has two children.

Nikos Fotopoulos, Member, Representative of the Employees.
Mr. Nikos Fotopoulos was born in Agnata at the Prefecture of Ilia in 1962. He is Electrical Technician (Technical School of PPC). From the age of 16 he has been involved in politics and community affairs. For 10 years he served as Secretary of the Energy Domain Committee of the Socialist Party (PASOK).
In 1998 he was elected at the Board of Directors of the Association of PPC's Technicians and served as Press Officer.
From 2007 until July 2013, he was president of the General Federation of Employees at PPC,Electricity Sector (GENOP/DEI) and member of the Executive Committee of EMCF.
From 2010 he is member of the Administration of the Greek General Confederation of Labour (GSEE) and from April 2013 he is member of the Board of Directors of PPC.

Tasos (Anastasios) Vlassopoulos, Member.
Tassos Vlassopoulos is a senior executive of large corporations with a total of 29 years of experience in the energy and hydrocarbons sector. He currently works as an independent advisor, focusing on elements of the supply chain in oil & gas and energy.
During his career, he has held C,level positions such as Chief Marketing Officer (CMO) of GE Oil & Gas, driving product management excellence, market & portfolio strategy and growth initiatives. He has also been responsible for the business strategy in Europe, Russia and North Africa of GE Energy, acquiring extensive experience in Fossil and Renewable Power Generation.
Previously, he held the position of Head of Oil & Gas Research at the Boston Consulting Group and several commercial development roles with leading oil & gas majors, driving M&A and investment appraisals.
Recently, he held the position of Director of Global Marketing (Management) at IMI Critical Engineering.
He has cooperated with various Regulatory Authorities and has also published articles.
He holds an MSc in Operations Research from The London School of Economics and a BSc in Economics (1st class) from the University of Piraeus.

6.13. Other Professional Engagements of the Members of the Board of Directors.

When submitting their nominations, Board members shall declare any other professional engagement they may have, based on which it is established whether there are any impediments or incompatibilities for their election, and whether they meet the criteria of independence. Moreover, it is assessed whether there are any conflicts of interest with the interests of the Company. Subsequently and following their election, at each meeting of the Board of Directors, Board members shall declare that there are no own interests or conflicts of own interest with the interests of the Company, in respect of the items on the agenda. In case of existence (on occasion) of any such interest, it is common practice for the said Board member to abstain from the entire procedure of decision, making on the specific item on the agenda.

NAME	PROFESSION	PARTICIPATION AS MEMBER OF THE BoD OF OTHER COMPANIES AND NON-PROFIT ORGANIZATIONS
		(in any capacity e.g. Independent member, Executive member, Independent Non-Executive member, etc.)
GEORGIOS STASSIS	Civil Engineer	Member of the Board of Directors of the following companies: — PPC Renewables S.A. — Arkadikos Ilios Ena S.A. — Arkadikos Ilios Dio S.A. — Iliako Velos Ena S.A. — Amalthia Energiaki S.A. — SOLARLAB S.A. — Iliaka Parka Ditikis Makedonias Ena S.A. — Iliaka Parka Ditikis Makedonias Dio S.A. — Geothermikos Stochos S.A. — Geothermikos Stochos Dio sole shareholder S.A. — EEN BOIOTIA S.A. — PPC RENEWABLES- EDF EN GRECE — PPC RENEWABLES- - TEPNA ENERGY S.A. — PPC RENEWABLES - ΡΟΚΑΣ S.A. — GITANI S.A. — VORINO PELLIS S.A. — MYHS SMIXIWTIKOY S.A. — OROS ENERGIAKI S.A. — GREENESCO ENERGIAKI S.A. — SOLAR PARK KILIZA S.A. — SOLAR PARK AG. ONOYFRIOS S.A. — SOLAR PARK MPAMPO BIGLIES S.A. — SOLAR PARK LOYKO S.A. — SOLAR PARK LEYKIVARI S.A. — VOLTERRA LYKOVOUNI S.A. — VOLTERRA K-R S.A. — Eurelectric – the European Union of the Electricity Industry
PYRROS PAPADIMITRIOU	Attorney-at-law, Economist	REFRAME ASBL (Co-director of a nonprofit research center in Belgium)
GEORGIOS KARAKOUSIS	Engineer	–
ALEXANDROS PATERAKIS	IT Consultant	Strategic consultant, Lumia Capital 2014 Management
GEORGIOS VENIERIS	Professor at the Athens University of Economics and Business	–
DESPINA DOXAKI	Attorney-at-law	–

NAME	PROFESSION	PARTICIPATION AS MEMBER OF THE BoD OF OTHER COMPANIES AND NON-PROFIT ORGANIZATIONS
		(in any capacity e.g. Independent member, Executive member, Independent Non-Executive member, etc.)
STEFANOS KARDAMAKIS	Mechanical Engineer Manager of the CONBLUK SHIP MANAGEMENT CORPORATION	–
MICHAEL PANAGIOTAKIS	Advisor	DODONI S.A., CEO, BoD Member
STEFANOS THEODORIDIS	Senior executive officer	— VYZANTIO AGROTIKI, CEO — PANORAMA, Vice-Chairman — NAVARINO BELLA VISTA, Vice-Chairman — TEMES, CEO — COSTA NAVARINO NORTH PROPERTIES, Chairman & CEO — COSTA NAVARINO SOUTH PROPERTIES, Chairman & CEO — IONIAN HOTEL ENTERPRISES S.A., Member — DUNES GOLF TOURISM ENTERPRISES, Vice-Chairman — PREZIOSI GROUP, Vice-Chairman — AMPELWNES, Chairman — GREKA ICONS, Chairman — PHILOMEL PROPERTIES DEVELOPMENT MANAGEMENT & EXPLOITATION OF REAL ESTATE, Chairman & CEO — AZOV PROPERTIES DEVELOPMENT MANAGEMENT & EXPLOITATION OF REAL ESTATE, Chairman & CEO — ARMIDE PROPERTIES DEVELOPMENT MANAGEMENT & EXPLOITATION OF REAL ESTATE, Chairman & CEO — ATHENS BEACH CLUB MANAGEMENT OF REAL ESTATE, Member
PANTELIS KARALEFTERIS	PPC S.A. Employee	–
NIKOLAOS FOTOPOULOS	PPC S.A. Technician	–
ANASTASIOS VLASOPOULOS	Economist	–

6.14. Contracts with Members of the Board of Directors.

Following the conversion of PPC to societe anonyme (PD 333/2000) provision had been made for a system for the determination of the remuneration of the executive members of the BoD and the Chief Officers consisting of the fixed and the variable remuneration (bonus) which was related to the achievement of business goals. Following the introduction of the restrictive laws on the medium,term stability programmes 2010,2019, ceilings were set on contractual remunerations, equal to the remuneration of General Secretary of Ministry. By virtue of L. 4354/2015 (article 28) that took effect on 1.1.2016, the executive Board members could receive remunerations exceeding that ceiling. Moreover, they received compensation for their participation in committees and meetings of the BoD of the Company. Following the enactment of L. 4643/2019, the General Meeting of the Shareholders is the sole responsible for the determination of the remuneration of Board members, officers and senior officers of the Company, within the limits set out by articles 4 and 5 of L. 4643/2019 and pursuant to the provisions of articles 110,111 of L. 4548/2018. The remuneration policy of the Company as approved by the General Meeting held on 23.12.2019 consists in determining the remuneration of Executive Board Members, officers and senior officers of the Company as follows: a) fixed part (basic remuneration,salary) and b) variable performance,related part (variable remuneration).

There is no provision for distributing shares, stock options or other similar securities to the members of the Board of Directors; it is noted, however, that at previous General Meetings of the Shareholders it was proposed to set up such distribution plans and these proposals are currently under consideration. Nevertheless, there are other contractual provisions concerning expenses during the execution of their duties (travel expenses, mobile phone, etc.) which are subject to approval, in accordance with the remuneration policy of the Company as approved by the General Meeting (see par.6.11.2).

6.15. Diversity applied to the managerial, administrative and supervisory bodies of the Company.

As already mentioned in paragraph 6.1 herein, nine (9) out of the eleven (11) members of the BoD of the Company are elected by the General Meeting of Shareholders and two (2) members representing the employees of the Company are elected by direct, general ballot.

For the selection of the members of the managerial, administrative and supervisory bodies of the Company, their qualifications such as academic credentials and professional experience are taken into consideration, whereas age or other personality characteristics, which could be considered as sensitive personal data, do not constitute criteria for selection. The Company is currently reviewing its practice, taking into consideration the relevant provisions of L. 4706/2020.

The Shareholders of the Company, which is considered to be a public interest entity, take into consideration any requirement derived from the law concerning the selection of the BoD members who are nominated at the Shareholders' General Meeting. Particular reference is made to the fact that according to article 197, par. 4 in conjunction with par. 6 of L. 4389/2016 (see Internal Regulation,Coordination Mechanism of the Hellenic Corporation of Assets and Participations S.A.), as applicable, the HCAP, as shareholder of the Company, conforms to the procedure provided for by law in order to nominate at the General Meeting of Shareholders the members of the Company's Board of Directors to be selected by the GM, pursuant to paragraph 2(a) of article 9 of the Company's Articles of Incorporation.

In particular:

a. Diversity policy implemented by the Company in relation to the composition of the Board of Directors and of its senior executives (Deputy CEOs and Chief Officers).
   More specifically, with regard to Board Members 82% hold a higher education degree while 18% are secondary education graduates. 82% of the Board members belong to the age group from 40 to 60 years old, while 18% are aged over 60.
   All Deputy CEOs hold a higher education degree, two belong to the age group of 40,60 years old and one belongs to the age group 60+. All Chief Officers hold a higher education degree, 66.7% belong to the age group of 40,60 years old, while 33.3% belong to the age group of 60+.
b. Diversity policy implemented by the Company in relation to gender representation.
   More specifically for Board members, the percentage of men arises to 91% compared to that of women which arises to 9%. All Deputy CEOs are male while with regard to Chief Officers, 91% are men and 9% are women.
   To conclude, the Company is continuously working towards the direction of adapting to the principles of corporate governance, as stipulated by the new provisions of the Greek legislation.

6.16. Information on the Deputy CEOs and the Chief Officers.

On 31.12.2020, the Deputy CEOs and Chief Officers of PPC S.A. were as follows:
Ioannis Kopanakis.
Deputy CEO supervising the Lignite Generation Business Unit and the Thermal & Hydro Generation Business Unit – Engineer.

Georgios Karakousis.
Deputy CEO responsible for all commercial activities of the Company and more in particular for the Marketing Plan and the Pricing Policy of the Group; he also supervises the Sales and the Customer Management Business Units– Electrical and Computer Engineer.

Alexandros Paterakis.
Deputy CEO responsible for the digital transformation of the Group and the e,mobility development – Computer Engineer.

Nikolaos Aravantinos.
Chief Support Operations Officer – Mechanical Electrical Engineer.

Damaskos Georgios.
Chief Human Resources and Organization Officer – Electrical Engineer, Economist.

Konstantinos Alexandridis.
Chief Financial Officer – Economist.

Dimitrios Metikanis.
Chief Lignite Generation Officer – Chemical Engineer.

Efthymia Bali.
Chief Sales Officer – B.A in Political Science & Public Administration.

Anargyros Oikonomou.
General Counsel and Chief Legal Affairs and Corporate Governance Officer – Attorney-at-law.

Sotiris Hadjimichael.
Chief Strategy & Transformation Officer – Electrical Engineer.

Konstantinos Zagalikis.
Chief Digital Systems Development and Exploitation Officer – B. Eng. in Computer Systems Engineering (University of Sussex UK) and M.Sc. in Telecommunications and Information Systems (University of Essex UK).

Kyriakos Kofinas.
Chief E,Mobility Officer – B.Sc. in Economic Science.

Fotios Karagiannis.
Chief Thermal & Hydro Generation Officer – Mechanical Engineer.

Ioannis Tsagiannis.
Chief Customer Management Officer – B.A. in Primary Education (National and Kapodistrian University of Athens).

Konstantinos Nazos.
Chief Energy Management & Trading Officer – Mechanical Engineer.

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 financial and operating results of the Group and the Parent Company, 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 discussing 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 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 and impairment, net financial expenses and taxes).
EBITDA serves to better analyze the operating results of the Group and the Parent Company and is calculated as follows: Total turnover minus total operating expenses before depreciation and impairment. The 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 and impairment, net financial expenses, profit/(loss) from sale of related companies 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 EBITDA measure. It is presented on Table B.

EBITDA Recurring (Operating Income before depreciation and impairment, net financial expenses and taxes).
EBITDA Recurring serves to better analyze the Group's operating income, excluding the impact of one,off effects. For the year 2020, the one,off effects that affected EBITDA Recurring are as follows : a) a provision for allowance for employees' severance payments and post retirement benefits amounting to €35,830 thousand for the Group and amounting to €22,576 thousand for the Parent Company (negative impact), b) an extraordinary one-off charge to electricity suppliers for covering the deficit of the Renewables Special Account. This one,off charge amounted to €72,863 thousand for the Group and the Parent Company (negative impact), c) an extraordinary one-off charge on RES and COGEN generators that affected the Group with an amount of €1,444 thousand, (negative impact) and d) a return of €44,773 thousand for the Group and the Parent Company due to the revision of the natural gas supply costs of DEPA by BOTAS for the years 2012,2019, after the decision of the International Court of Arbitration on the difference between the two companies (positive effect).

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 operating results of the Group and the Parent Company and is calculated as follows: Total turnover minus total operating expenses. 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, Financial Expense and Profit from Subsidiaries and Associates.
This Index is calculated as the net amount of depreciation expense, net financial expenses and profits/ (losses) from the Group's subsidiaries and associates. The detailed calculation is presented in Table E.

Net Debt.
Net debt is an APM that Management uses to evaluate the capital structure of the Group and the Parent Company 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 adding the unamortized portion of borrowing costs (see, Note, 30 Annual Financial Statements). Calculation of Net Debt is presented in Table F.

TABLE A, EBITDA (Operating Income before depreciation and impairment, net financial expenses and taxes)

	Total Group 01.01-31.12.2020	Total Group 01.01-31.12.2019	Total Group 01.10-31.12.2020	Total Group 01.10-31.12.2019	Total Company 01.01-31.12.2020	Company Continuing Operations 01.01-31.12.2020	Total Company 01.01-31.12.2019	Company Continuing Operations 01.01-31.12.2019	Total Company 01.10-31.12.2020	Total Company 01.10-31.12.2019
	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€
Total Turnover (1)	**4,649,444**	**4,931,609**	**1,129,334**	**1,323,422**	**4,395,829**	**4,300,183**	**4,736,317**	**4,643,118**	**1,060,763**	**1,273,748**
MINUS :										
Operating expenses before depreciation and impairment (2)	3,828,912	4,132,759	1,017,132	720,823	3,543,318	3,842,035	4,094,337	4,384,126	998,409	839,481
Payroll cost	713,609	512,303	161,877	(59,350)	411,274	411,274	292,145	292,145	83,896	(41,794)
Lignite	49,584	3,693	21,244	37,720	20,997	20,997	(33,772)	(33,772)	5,600	30,748
Liquid fuel	462,515	670,885	105,004	137,621	455,849	455,849	659,303	659,303	102,123	135,194
Natural gas	297,858	431,390	91,895	77,728	297,858	297,858	431,390	431,390	91,895	77,728
Energy purchases	1,117,863	1,486,367	270,306	334,787	1,215,330	1,215,330	1,698,415	1,698,415	307,216	372,591
Materials and consumables	110,923	126,056	30,507	38,705	58,363	58,363	70,461	70,461	15,896	26,391
Transmission system usage	135,836	149,611	31,105	33,814	135,775	135,775	149,611	149,611	31,091	33,814
Distribution system usage	—	—	—	—	251,792	543,671	268,545	554,032	92,037	61,867
Utilities and maintenance	199,769	221,084	54,918	59,093	122,850	122,850	144,250	144,250	32,790	40,264
Third party fees	113,260	82,160	34,185	23,531	79,800	79,800	54,562	54,562	27,478	14,732
CO_2 emission rights	393,486	546,462	130,386	139,521	327,861	327,861	411,885	411,885	110,758	113,792
Provision for risks	38,608	20,313	16,750	9,373	43,074	43,074	16,173	16,173	18,440	3,120
Provision for materials	86,336	12,710	15,491	4,390	62,455	62,455	7,606	7,606	14,855	301
Provision for expected credit losses	61,946	(42,047)	16,998	(7,606)	36,652	36,652	62,414	62,414	21,525	97,076
Income from PSO's	—	(194,652)	—	(194,652)	—	—	(194,652)	(194,652)	—	(194,652)
Other (income) / expense, net	47,319	106,424	36,466	86,148	23,388	30,226	56,001	60,303	42,809	68,309
EBITDA (A) = [(1) - (2)]	820,532	798,850	112,202	602,599	852,511	458,148	641,980	258,992	62,354	434,267
EBITDA Margin [(A) / (1)]	17.6%	16.2%	9.9%	45.5%	19.4%	10.7%	13.6%	5.6%	5.9%	34.1%

TABLE B- Operating Expenditure before tax, depreciation and impairment, net financial expenses, profit/(loss) from sale of related companies and taxes excluding one off effects

	Total Group 01.01-31.12.2020	Total Group 01.01-31.12.2019	Total Group 01.10-31.12.2020	Total Group 01.10-31.12.2019	Total Company 01.01-31.12.2020	Company Continuing Operations 01.01-31.12.2020	Total Company 01.01-31.12.2019	Company Continuing Operations 01.01-31.12.2019	Total Company 01.10-31.12.2020	Total Company 01.10-31.12.2019	NOTES
	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	
Operating expenses before depreciation and impairment (2)	**3,828,912**	**4,132,759**	**1,017,132**	**720,823**	**3,543,318**	**3,842,035**	**4,094,337**	**4,384,126**	**998,409**	**839,481**	
MINUS :											
Employee Benefits Supply of Electricity at reduced tariff	35,830	(243,415)	3,340	(243,415)	22,576	22,576	(148,058)	(148,058)	(3,929)	(148,058)	Note 31 of the Annual Financial Report 2020
RES Special Account Surplus	–	(99,331)	–	–	–	–	(99,301)	(99,301)	–	–	Note 2 of the Annual Financial Report 2019
Extraordinary one-off charge of electricity suppliers for the Renewables Special Account	72,863	–	72,863	–	72,863	72,863	–	–	72,863	–	Note 3 of the Annual Financial Report 2020
Extraordinary one-off charge for Renewable Energy stations. and S.I.TH.Y.A. electricity producers for the Renewables Special Account	1,444	–	1,444	–	–	–	–	–	–	–	Note 3 of the Annual Financial Report 2020
Cost revision of the natural gas pipeline for the years 2012-2019	(44,773)	–	–	–	(44,773)	(44,773)	–	–	–	–	Note 3 of the Annual Financial Report 2020
Provision for expected credit losses on lignite subsidiaries receivables	–	–	–	–	–	–	104,426	104,426	–	104,426	Note 17 of the Annual Financial Report 2020
PSOs Income (2007-2011) & PSOs clearing for 2017	–	(122,512)	–	(122,512)	–	–	(122,512)	(122,512)	–	(122,512)	Note 2 of the Annual Financial Report 2019
Operating expenses before depreciation and impairment without one-off effects (2)	**3,763,548**	**4,598,017**	**939,485**	**1,086,750**	**3,492,652**	**3,791,369**	**4,359,782**	**4,649,571**	**929,475**	**1,005,625**	

TABLE C- EBITDA Recurring (Operating Income before depreciation and impairment, net financial expenses and taxes).

	Total Group 01.01-31.12.2020	Total Group 01.01-31.12.2019	Total Group 01.10-31.12.2020	Total Group 01.10-31.12.2019	Total Company 01.01-31.12.2020	Company Continuing Operations 01.01-31.12.2020	Total Company 01.01-31.12.2019	Company Continuing Operations 01.01-31.12.2019	Total Company 01.10-31.12.2020	Total Company 01.10-31.12.2019	NOTES
	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	
EBITDA (1)	**820,532**	**798,850**	**112,202**	**602,599**	**852,511**	**458,148**	**641,980**	**258,992**	**62,354**	**434,267**	
Plus one-of effects (2):	**63,920**	**(465,258)**	**76,203**	**(365,927)**	**50,666**	**50,666**	**(265,445)**	**(265,445)**	**68,934**	**(166,144)**	
Employee Benefits Supply of Electricity at reduced tariff	35,830	(243,415)	3,340	(243,415)	22,576	22,576	(148,058)	(148,058)	(3,929)	(148,058)	Note 31 of the Annual Financial Report 2020
RES Special Account Surplus	–	(99,331)	–	–	–	–	(99,301)	(99,301)	–	–	Note 2 of the Annual Financial Report 2019
Extraordinary one-off charge of electricity suppliers for the Renewables Special Account	72,863	–	72,863	–	72,863	72,863	–	–	72,863	–	Note 3 of the Annual Financial Report 2020
Extraordinary one-off charge for Renewable Energy stations. and S.I.TH.Y.A. electricity producers for the Renewables Special Account	1,444		1,444	–	–	–	–	–	–	–	Note 3 of the Annual Financial Report 2020
Cost revision of the natural gas pipeline for the years 2012-2019	(44,773)	–	–	–	(44,773)	(44,773)	–	–	–	–	Note 3 of the Annual Financial Report 2020
Provision for expected credit losses on lignite subsidiaries receivables	–	–	–	–	–	–	104,426	104,426	–	104,426	Note 17 of the Annual Financial Report 2020
PSOs Income (2007 - 2011) & PSOs clearing for 2017	–	(122,512)	–	(122,512)	–	–	(122,512)	(122,512)	–	(122,512)	Note 2 of the Annual Financial Report 2019
EBITDA Recurring excluding one-off effects (3) = [(1)+(2)]	**885,896**	**333,592**	**189,849**	**236,672**	**903,177**	**508,814**	**376,535**	**(6,453)**	**131,288**	**268,123**	
Total Turnover (4)	**4,649,444**	**4,931,609**	**1,129,334**	**1,323,422**	**4,395,829**	**4,300,183**	**4,736,317**	**4,643,118**	**1,060,763**	**1,273,748**	
EBITDA Recurring margin excluding one-off effects (3)/(4)	**19.1%**	**6.8%**	**16.8%**	**17.9%**	**20.5%**	**11.8%**	**7.9%**	**(0.1%)**	**12.4%**	**21.0%**	

Table D - EBIT (Operating Income before net financial expenses and taxes)

	Total Group 01.01-31.12.2020	Total Group 01.01-31.12.2019	Total Group 01.10-31.12.2020	Total Group 01.10-31.12.2019	Total Company 01.01-31.12.2020	Company Continuing Operations 01.01-31.12.2020	Total Company 01.01-31.12.2019	Company Continuing Operations 01.01-31.12.2019	Total Company 01.10-31.12.2020	Total Company 01.10-31.12.2019
	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€
EBITDA	**820,532**	**798,850**	**112,202**	**602,599**	**852,511**	**458,148**	**641,980**	**258,992**	**62,354**	**434,267**
MINUS :										
Depreciation and Amortization	744,045	661,761	193,107	183,863	679,560	421,924	636,525	429,004	174,220	174,519
Impairement of Property, Plant and Equipment	(125,319)	2,098,790	(138,656)	2,033,850	(130,912)	(130,912)	1,945,576	1,889,786	(144,249)	1,945,576
Impairment of lignite subsidiaries'	–	–	–	–	124,426	124,426	286,300	286,300	5,000	184,000
EBIT (A)	**201,806**	**(1,961,701)**	**57,751**	**(1,615,114)**	**179,437**	**42,710**	**(2,226,421)**	**(2,346,098)**	**27,383**	**(1,869,828)**
Total turnover (1)	**4,649,444**	**4,931,609**	**1,129,334**	**1,323,422**	**4,395,829**	**4,300,183**	**4,736,317**	**4,643,118**	**1,060,763**	**1,273,748**
EBIT MARGIN [(A) / (1)]	**4.3%**	**(39.8%)**	**5.1%**	**(122.0%)**	**4.1%**	**1.0%**	**(47.0%)**	**(50.5%)**	**2.6%**	**(146.8%)**

Table E - Net amount of Depreciation, Financial Expense and Profit from Subsidiaries and Associates

	Total Group 01.01-31.12.2020	Total Group 01.01-31.12.2019	Total Group 01.10-31.12.2020	Total Group 01.10-31.12.2019	Total Company 01.01-31.12.2020	Company Continuing Operations 01.01-31.12.2020	Total Company 01.01-31.12.2019	Company Continuing Operations 01.01-31.12.2019	Total Company 01.10-31.12.2020	Total Company 01.10-31.12.2019
	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€
Depreciation, Net Financial Expense and Profit from Subsidiaries and Associates	**878,885**	**757,963**	**230,486**	**209,830**	**791,514**	**481,123**	**733,781**	**473,331**	**212,352**	**203,008**
Depreciation and Amortization	744,045	661,761	193,107	183,863	679,560	421,924	636,525	429,004	174,220	174,519
Financial expense	198,233	170,734	51,910	40,588	194,611	141,856	168,712	115,783	50,941	41,898
Financial income	(60,108)	(73,151)	(13,859)	(14,514)	(81,824)	(81,824)	(72,459)	(72,459)	(12,895)	(13,847)
Net (profit)/loss from associates and joint ventures	(2,423)	(2,422)	(723)	(515)	2	2	—	—	—	—
Net loss/(profit) from FX differences	(862)	1,041	51	408	(835)	(835)	1,003	1,003	86	438

TABLE F – Net Debt

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	Amounts in '000€	Amounts in '000€	Amounts in '000€	Amounts in '000€
Long-term borrowing	3,480,453	3,510,961	3,383,968	3,467,108
Current portion of long term borrowing	546,802	417,351	546,812	417,361
Short term borrowing	42,152	18,630	30,000	—
Cash and cash equivalents	(815,640)	(286,917)	(626,940)	(205,461)
Restricted cash	(53,535)	(64,847)	(47,636)	(64,847)
Financial assets measured at fair value through other comprehensive income	(866)	(1,251)	(646)	(879)
Unamortized portion of borrowing costs	84,235	93,120	84,235	93,120
TOTAL	**3,283,601**	**3,687,047**	**3,369,793**	**3,706,402**

Athens, April 20th 2021

For the Board of Directors

The President and CEO	The Vice President
Georgios I. Stassis	Pyrros D. Papadimitriou

C / Auditor's Report

This report is a free translation from the greek original.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Public Power Corporation S.A.

Report on the Audit of the Separate and Consolidated Financial Statements.

Opinion.
We have audited the accompanying separate and consolidated financial statements of Public Power Corporation S.A. ("the Company"), which comprise the separate and consolidated statement of financial position as of December 31, 2020, the separate and consolidated statements of income and other comprehensive income, the statements changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements present fairly in all material respects the financial position of Public Power Corporation S.A., and its subsidiaries ("the Group") as at December 31, 2020 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as endorsed by the European Union.

Basis for Opinion.
We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated in Greek Law. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We remained independent of the Company and Group throughout the period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the separate and consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters.
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate and consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying separate and consolidated financial statements.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Unbilled revenue recognition and related contract assets from low tension customers (separate and consolidated financial statements)	
The Company's and the Group's unbilled revenue for the year ended December 31, 2020 and the related contract assets from low tension customers as at December 31, 2020 amounted to €244mil. The estimation method used, requires the management to make judgments and use estimates and assumptions with a high degree of uncertainty, of which the most significant are related to the technical and non-technical losses of the distribution network, the invoicing period, the average revenue and the adjustments for discounts and expected credit losses. We have identified the estimation process of the unbilled revenue and the related contract assets from low tension customers as a key audit matter due to the inherent risk of revenue recognition in the correct period, the significant audit effort required, and the high degree of subjectivity in the management's judgments, estimates and assumptions used in this process. The Company's and Group's disclosures relevant to the accounting policy, the judgments, the estimates and the assumptions used to determine the unbilled revenue and the related contract assets from low tension customers can be found in notes 4.3, 4.4, 6 and 22 to the separate and consolidated financial statements.	The audit procedures that we performed, among others have as follows: — We discussed with management and assessed the design of management controls over the estimation of the unbilled revenue and the related contract assets from low tension customers. — We received and audited the calculation of the management's estimate, evaluating the judgments, estimates and assumptions related to the technical and non-technical losses of the distribution network, the invoicing period, the average revenue and the adjustments for discounts and expected credit losses. — We assessed the consistency of application of the estimation, the methods, the assumptions, and the calculations used between periods and whether events of the period that alter the environment, the circumstances and data, in which the estimates and assumptions used by the management are based, have been taken into consideration, as well as changes in the business practices, the accounting principles and policies affecting the related calculations. — We tested the calculations for mathematical accuracy and the correct accounting of the related amounts in the financial statements. — Finally, we assessed the adequacy of related disclosures in the separate and consolidated financial statements.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Trade receivables impairment test (separate and consolidated financial statements)	
At December 31, 2020, the Company's and the Group's trade receivables amounted to €555mil and €709mil. after accumulated impairment losses of €2.529mil and €2.647mil, respectively. The Company and Group apply the simplified approach of IFRS 9 "Financial Instruments" and determine lifetime expected credit losses ("ELC") on their trade receivables by using historical information, including the conditions of COVID-19 pandemic, which reflects the expected effect of current information in future. We have identified the process of trade receivables impairment test as a key audit matter due to the magnitude of the related accounts and the significance of management's assumptions and estimates used. The Company's and Group's disclosures relevant to the accounting policy, the judgements, the estimates and the assumptions used for the impairment test of trade receivables can be found in notes 4.3, 4.4 and 21 to the separate and consolidated financial statements.	The audit procedures that we performed, among others have as follows: — We discussed with management and assessed the design of management controls over the impairment process of trade receivables impairment test. — We received and audited the calculation of trade receivables impairment performed by management, evaluating, among others, the completeness and accuracy of the data used for the determination of expected credit losses and the assumptions on which the management's estimation was based. — We tested the calculations for mathematical accuracy and the correct accounting of the related amounts in the financial statements. — Finally, we assessed the adequacy of related disclosures in the separate and consolidated financial statements.
Valuation of Property, Plant and Equipment (separate and consolidated financial statements)	
At December 31, 2020 Company's and Group's property, plant and equipment amounted to €5.353mil and €10.270mil, respectively. Property, plant and equipment are measured at revalued amounts (fair values less accumulated depreciation and impairment loss), except for the mines and lakes that are measured at cost (less accumulated depreciation and impairment) and property, plant and equipment under construction, that are measured at cost (less accumulated impairment loss). The fair values of property, plant and equipment that are measured at revalued amounts, are determined by independent appraisers periodically, in order to assure that the carrying value of an asset does not differ significantly from its fair value. The last revaluation was performed as of December 31, 2019.	The audit procedures that we performed, among others have as follows: — We discussed with management and assessed the evaluation process of whether the fair values of the property, plant and equipment have changed significantly, and impairment indications exist for the property, plant and equipment.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation of Property, Plant and Equipment (separate and consolidated financial statements) (continue)	
The determination of the fair values of property, plant and equipment requires the management to make, among others, estimations, assumptions and judgements regarding the ownership, the use and the existence of any physical, operational and economic obsolescence. In addition to the above, the Company assesses annually whether impairment indications exist and if this is the case, performs an impairment test for its property plant and equipment. This process incorporates judgements, estimates and assumptions with high degree of subjectivity, the most important of which are related to the estimated future production capacity and use of the assets, their discounted future cash flows and other factors. In the context of the process for the assessment of impairment indications for the property, plant and equipment and taking also into consideration the requirements of the lignite phase-out plan, management performed impairment tests, which resulted in an impairment loss of €72mil. and €77mil. for the Company and the Group, respectively, as well as, reversals of prior periods impairment losses amounted to €210mil. for the Company and the Group, which were recognised in current year's results. We have identified the valuation of property, plant and equipment as a key audit matter due to magnitude of the related accounts and the significance of management's judgments, estimates and assumptions on which is based. The Company's and Group's disclosures relevant to the accounting policy, the judgments, the estimates and the assumptions used for the valuation in fair values and the assessment of impairment indications for the property, plant and equipment can be found in notes 4.3, 4.4, 15, 35 and 41 to the separate and consolidated financial statements.	— For property, plant and equipment that are measured at fair values, we received the management's analysis and assessed the reasonability and the accuracy of the assumptions used. — For property, plant and equipment that are measured at cost, and for which impairment indications existed and therefore impairment tests were performed, we assessed with the contribution, where necessary, of specialized on valuation issues executives, the reasonability and accuracy of the assumptions and methodology used in estimating the recoverable amounts. — We tested the calculations for mathematical accuracy and the correct accounting of the related amounts in the financial statements. — Finally, we assessed the adequacy of related disclosures in the separate and consolidated financial statements

Other Information

Management is responsible for the other information in the Annual Report. The other information, includes the Board of Directors' Report, for which reference is also made in section "Report on Other Legal and Regulatory Requirements", the Statements of the Members of the Board of Directors, and any other information either required by law or voluntarily incorporated by the Company in its Annual Report prepared in accordance with Law 3556/2007, but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Management and Those Charged with Governance for the Separate and Consolidated Financial Statements.

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of the separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Company's Audit Committee (Law 44 v.4449/2017) is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements.

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

As part of an audit in accordance with ISAs, as incorporated in Greek Law, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and its subsidiaries. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report.

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report and Corporate Governance Statement that is included therein, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

a. The Board of Directors' Report includes a Corporate Governance Statement that contains the information required by article 152 of Law 4548/2018.
b. In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150-151 and 153-154 and paragraph 1 (c and d) of article 152 of Law 4548/2018 and the content of the Board of Directors' report is consistent with the accompanying separate and consolidated financial statements for the year ended December 31, 2020.
c. Based on the knowledge and understanding concerning Public Power Corporation S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement.

2. Unbundled Financial Statements.

The management is responsible for the preparation of the Company's and the Group's unbundled financial statements as required by the article 141 of Law 4001/2011 and the Decision 266/2014 of the Regulatory Authority for Energy (RAE) and for those internal controls that management determines are necessary to enable the preparation of the Company's and Group's unbundled balance sheets as at December 31, 2020 and the unbundled statements of income before tax for the period from January 1, 2020 to December 31, 2020 that are free from material misstatement, whether due to fraud or error. The methodology of preparation of the unbundled financial statements is described in note 2 of appendix 1 to the financial statements.

In our opinion, the Company's and Group's unbundled financial statements as at December 31, 2020, as presented in the relevant appendix to the financial statements, have been prepared in accordance with the provisions of article 141 of Law 4001 / 2011 and the Decision 266/2014 of the Regulatory Authority for Energy (RAE).

3. Additional Report to the Audit Committee.

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, in accordance with article 11 of the EU Regulation 537/2014.

4. Provision of Non-audit Services.

We have not provided any prohibited non-audit services per article 5 of the EU Regulation 537/2014.

The non-audit services provided by us to the Company and its subsidiaries during the year ended December 31, 2020, are disclosed in Note 13 of the separate and consolidated financial statements.

5. Appointment of the Auditor

We were firstly appointed as auditors of the Group by the General Assembly on June 7, 2018. Our appointment has been uninterruptedly renewed annually by virtue of decisions of the annual general meetings of the shareholders for a total period of two years.

Athens, 20 of April 2021

Vassilios Kaminaris
Certified Auditor
SOEL R.N. 2041

ERNST & YOUNG (GREECE)
Certified Auditors - Accountants SA
Chimarras 8B, 15125 Maroussi
SOEL R.N. 107

Public
Power
Corporation

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS DECEMBER 31ST 2020

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

The attached separate and consolidated financial statements have been approved by the Board of Directors of Public Power Corporation S.A. on April 20th 2021 and they are available on the web site of Public Power Corporation S.A. at www.dei.gr

The attached separate and consolidated financial statements have been translated from the original version in Greek.

Chairman and Chief Executive Officer	Vice Chairman	Chief Financial Officer	Accounting Department Director
GEORGIOS I. STASSIS	PYRROS D. PAPADIMITRIOU	KONSTANTINOS A. ALEXANDRIDIS	EFTHIMIOS A. KOUTROULIS

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED AND SEPARATE STATEMENTS OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2020
(All amounts in thousands of Euro)

		GROUP		COMPANY					
		01.01.2020-31.12.2020	01.01.2019-31.12.2019	01.01.2020-31.12.2020	01.01.2020-31.12.2020	01.01.2020-31.12.2020	01.01.2019-31.12.2019	01.01.2019-31.12.2019	01.01.2019-31.12.2019
	Note	Total Group	Total Group	Total Company	Continuing Operations	Discontinued Operations	Total Company	Continuing Operations*	Discontinued Operations*
REVENUES:									
Revenue from energy sales	6	3,947,327	4,288,653	3,910,362	3,910,362	–	4,262,101	4,262,101	–
Revenue from natural gas sales		472	–	472	472	–	–	–	–
Other sales	6	701,645	642,956	484,995	389,349	95,646	474,216	381,017	93,199
		4,649,444	**4,931,609**	**4,395,829**	**4,300,183**	**95,646**	**4,736,317**	**4,643,118**	93,199
EXPENSES:									
Payroll cost	7	713,609	512,303	411,274	411,274	–	292,145	292,145	–
Lignite		49,584	3,693	20,997	20,997	–	(33,772)	(33,772)	–
Liquid Fuels		462,515	670,885	455,849	455,849	–	659,303	659,303	–
Natural Gas		297,858	431,390	297,858	297,858	–	431,390	431,390	–
Depreciation and amortization	9	744,045	661,761	679,560	421,924	257,636	636,525	429,004	207,521
Energy purchases	8	1,117,863	1,486,367	1,215,330	1,215,330	–	1,698,415	1,698,415	–
Materials and consumables		110,923	126,056	58,363	58,363	–	70,461	70,461	–
Transmission system usage		135,836	149,611	135,775	135,775	–	149,611	149,611	–
Distribution system usage		–	–	251,792	543,671	(291,879)	268,545	554,032	(285,487)
Utilities and maintenance		199,769	221,084	122,850	122,850	–	144,250	144,250	–
Third party fees		113,260	82,160	79,800	79,800	–	54,562	54,562	–
Emission allowances	10	393,486	546,462	327,861	327,861	–	411,885	411,885	–
Provisions for risks	40, 32	38,608	20,313	43,074	43,074	–	16,173	16,173	
Provision for impairment of inventories	20	86,336	12,710	62,455	62,455	–	7,606	7,606	–
Provision for expected credit losses	21, 22, 23	61,946	(42,047)	36,652	36,652	–	62,414	62,414	–
Financial expenses	11	198,233	170,734	194,611	141,856	52,755	168,712	115,783	52,929
Financial Income	12	(60,108)	(73,151)	(81,824)	(81,824)	–	(72,459)	(72,459)	–
Impairment loss on Lignite Subsidiaries		–	–	124,426	124,426	–	286,300	286,300	–
Impairment loss on assets	35	(125,319)	2,098,790	(130,912)	(130,912)	–	1,945,576	1,889,786	55,790
Income from PSOs	2	–	(194,652)	–	–		(194,652)	(194,652)	–
Other (income) / expenses, net	13	47,319	106,424	23,388	30,226	(6,838)	56,001	60,303	(4,302)
(Gains)/ losses from associates and joint ventures	18	(2,423)	(2,422)	2	2	–	–	–	–
Foreign currency (gains) / losses, net		(862)	1,041	(835)	(835)	–	1,003	1,003	–
		4,582,478	**6,989,512**	**4,328,346**	**4,316,672**	**11,674**	**7,059,994**	**7,033,543**	**26,451**
PROFIT/(LOSS) BEFORE TAX		**66,966**	**(2,057,903)**	**67,483**	**(16,489)**	**83,972**	**(2,323,677)**	**(2,390,425)**	**66,748**
Income tax	14	(31,762)	372,233	(24,507)	(14,201)	(10,306)	360,570	317,481	43,089
NET PROFIT/(LOSS)		**35,204**	**(1,685,670)**	**42,976**	**(30,690)**	**73,666**	**(1,963,107)**	**(2,072,944)**	**109,837**
Attributable to:									
Owners of the Parent		**35,164**	**(1,685,791)**						
Non - controlling interests		**40**	**121**						
Profit/(Loss) per share, basic and diluted		0.15	(7.27)						
Weighted average number of shares		**232,000,000**	**232,000,000**						

– The accommodating notes are an integral part of the consolidated and separate financial statements.

* Some figures of the Parent Company are restated compared to those published in the annual financial statements as of December 31st, 2019 and include the figures of the Discontinued Operations (See Note 5).

PUBLIC POWER CORPORATION S.A
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2020
(All amounts in thousands of Euro)

		GROUP		COMPANY					
		01.01.2020-31.12.2020	01.01.2019-31.12.2019	01.01.2020-31.12.2020	01.01.2020-31.12.2020	01.01.2020-31.12.2020	01.01.2019-31.12.2019	01.01.2019-31.12.2019	01.01.2019-31.12.2019
	Note	Total Group	Total Group	Total Company	Continuing Operations	Discontinued Operations	Total Company	Continuing Operations*	Discontinued Operations*
Net Profit/(Loss) for the year		**35,204**	**(1,685,670)**	**42,976**	**(30,690)**	**73,666**	**(1,963,107)**	**(2,072,944)**	**109,837**
Foreign exchange differences		(184)	270	–	–	–	–	–	–
Gains from the valuation of hedging transactions		5,464	–	5,464	5,464	–	–	–	–
Deferred tax on gains from the valuation of hedging transactions		(1,153)	–	(1,153)	(1,153)	–	–	–	–
Net Other Comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		**4,127**	**270**	**4,311**	**4,311**	**–**	**–**	**–**	**–**
Profit/(Loss) from financial assets at fair value through comprehensive income		(384)	996	(232)	(232)	–	413	413	–
Revaluation of Property, plant and equipment	15	(547)	1,261,213	2,095	2,095	–	1,249,884	(95,534)	1,345,418
Deferred tax on revaluation of Property, plant and equipment		131	(300,724)	(503)	(503)	–	(299,972)	22,928	(322,900)
Impairement of Property, plant and equipment with revaluation surplus	15	(38,581)	–	(38,581)	(38,581)	–	–	–	–
Deferred tax on impairement of Property, plant and equipment with revaluation surplus		9,259	–	9,259	9,259	–	–	–	–
Provision for decommissioning and dismantling of facilities/equipment of Units	32	3,251	(127,963)	3,251	3,251	–	(127,963)	(127,963)	–
Deferred taxes on provision for decommissioning and dismantling of facilities/equipment of Units		(780)	30,711	(780)	(780)	–	30,711	30,711	–
Actuarial gains/(losses)	31	41,707	(56,651)	27,825	27,825	–	(38,518)	(38,518)	–
Deferred tax on actuarial gains/losses		(9,733)	13,596	(6,678)	(6,678)	–	9,244	9,244	–
Net Other Comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods		**4,323**	**821,178**	**(4,344)**	**(4,344)**	**–**	**823,799**	**(198,719)**	**1,022,518**
Other Comprehensive (loss)/income for the year after tax		**8,450**	**821,448**	**(33)**	**(33)**	**–**	**823,799**	**(198,719)**	**1,022,518**
Total Comprehensive loss for the year after tax		**43,654**	**(864,222)**	**42,943**	**(30,723)**	**73,666**	**(1,139,308)**	**(2,271,663)**	**1,132,355**
Attributable to:									
Owners of the Parent		**43,614**	**(864,343)**						
Non-controlling interests		**40**	**121**						

– The accompanying notes are an integral part of the consolidated and separate financial statements.

* Some figures of the Parent Company are restated compared to those published in the annual financial statements as of December 31st, 2019 and include the figures of the Discontinued Operations (See Note 5).

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 (All amounts in thousands of Euro)

		GROUP		COMPANY	
	Note	31.12.2020	31.12.2019	31.12.2020	31.12.2019
ASSETS					
Non - Current Assets :					
Property, plant and equipment, net	15	10,269,886	10,572,714	5,352,700	10,176,626
Intangible assets, net	16	112,116	80,923	87,601	65,054
Right of use assets	42	64,575	67,193	37,447	41,084
Investments in subsidiaries	17	-	-	221,611	221,271
Investments in associates	18	34,063	36,364	37	997
Financial assets measured at fair value through other comprehensive income	24	866	1,251	646	879
Other non – current assets		14,268	20,428	15,977	20,132
Deferred tax asset	14	202,673	226,623	761,055	197,867
Total non – current assets		**10,698,447**	**11,005,496**	**6,477,074**	**10,723,910**
Current Assets :					
Inventories	20	630,364	730,895	455,174	530,923
Trade receivables	21	708,679	683,491	554,619	579,213
Contract assets	22	372,475	424,911	372,475	424,911
Other receivables	23	393,716	360,479	214,723	235,444
Derivative Financial instruments	43	4,803	—	4,803	—
Income tax receivable	14	2,728	12,565	—	—
Cash and cash equivalents	25	815,640	286,917	626,940	205,461
Restricted cash	25	58,702	67,752	52,803	67,752
Total		**2,987,107**	**2,567,010**	**2,281,537**	**2,043,704**
Total Assets Held for Sale	5	—	—	4,563,389	—
Total current assets		**2,987,107**	**2,567,010**	**6,844,926**	**2,043,704**
Total Assets		**13,685,554**	**13,572,506**	**13,322,000**	**12,767,614**
EQUITY AND LIABILITIES					
EQUITY :					
Share capital	26	575,360	575,360	575,360	575,360
Share premium		106,679	106,679	106,679	106,679
Legal reserve	27	128,317	128,317	128,317	128,317
Statutory revaluation surplus		(947,342)	(947,342)	(947,342)	(947,342)
Revaluation surplus	15	4,686,388	4,753,454	4,594,433	4,658,997
Other Reserves	28	87,605	51,888	51,852	26,626
Retained earnings		(1,552,136)	(1,628,019)	(1,780,536)	(1,862,818)
Total Equity attributable to the Owners of the Parent		**3,084,871**	**3,040,337**	**2,728,763**	**2,685,819**
Non - controlling interests		**295**	**255**	**—**	**—**
Total equity		**3,085,166**	**3,040,592**	**2,728,763**	**2,685,819**

		GROUP		COMPANY	
	Note	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Non – Current Liabilities :					
Long - term borrowings	30	3,480,453	3,510,961	2,008,603	3,467,108
Post-retirement benefits	31	232,757	303,292	129,371	175,767
Provisions	32	787,422	780,694	745,694	737,035
Financial lease liability	42	48,198	49,369	26,975	29,284
Contract liabilities	34	2,274,035	2,331,696	450,745	2,331,696
Subsidies	33	153,720	172,577	105,259	156,844
Long term financial liability from the securitization of receivables	3	123,465	—	123,465	—
Other non – current liabilities		22,515	13,055	38	38
Total non – current liabilities		**7,122,565**	**7,161,644**	**3,590,150**	**6,897,772**
Current Liabilities :					
Trade and other payables	36	1,428,758	1,689,234	1,171,262	1,523,818
Short term financial liability from the securitization of receivables	3	11,688	—	11,688	—
Dividends payable	29	12	13	12	13
Income tax payable	14	68,155	69,630	63,778	63,778
Short – term borrowings	37	42,152	18,630	30,000	—
Current portion of long - term borrowings	30	546,802	417,351	397,115	417,361
Short – term financial lease liability	42	17,791	18,322	11,996	12,780
Accrued and other current liabilities	39	811,588	718,180	825,186	727,363
Short-term contract liabilities	38	550,877	438,910	550,877	438,910
Total		**3,477,823**	**3,370,270**	**3,061,914**	**3,184,023**
Total Liabilities Held for Sale	5	—	—	3,941,173	—
Total Current Liabilities		**3,477,823**	**3,370,270**	**7,003,087**	**3,184,023**
Total Equity and Liabilities		**13,685,554**	**13,572,506**	**13,322,000**	**12,767,614**

— The accompanying notes are an integral part of the consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020 (All amounts in thousands of Euro)

		GROUP											
							Other Reserves						
	Note	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Statutory Revaluation Surplus	Fair Value of financial assets through comprehensive income	Foreign Exchange Differences, Tax-free and Other Reserves	Other Reserves Total	Retained Earnings	Total	Non-Controlling Interest	Total Equity
Balance, January 1st, 2019		**575,360**	**106,679**	**128,317**	**3,816,062**	**(947,342)**	**(543)**	**94,124**	**93,581**	**170,289**	**3,942,946**	**134**	**3,943,080**
Profit/(Loss) for the year		–	–	–	–	–	–	–	–	(1,685,791)	(1,685,791)	121	(1,685,670)
Other comprehensive income/(loss) for the year after tax		–	–	–	863,237	–	996	(42,785)	(41,789)	–	821,448	–	821,448
Total Comprehensive income/(loss) for the year, after tax		**–**	**–**	**–**	**863,237**	**–**	**996**	**(42,785)**	**(41,789)**	**(1,685,791)**	**(864,343)**	**121**	**(864,222)**
Disposals of property, plant and equipment		–	–	–	(18,141)	–	–	–	–	18,141	–	–	–
Lignite Subsidiaries equity reserves		–	–	–	–	–	–	–	–	(38,364)	(38,364)	–	(38,364)
Other movements		–	–	–	92,297	–	–	96	96	(92,294)	98	–	98
Balance, December 31st, 2019		**575,360**	**106,679**	**128,317**	**4,753,454**	**(947,342)**	**453**	**51,435**	**51,888**	**(1,628,019)**	**3,040,337**	**255**	**3,040,592**
Balance, January 1st, 2020		**575,360**	**106,679**	**128,317**	**4,753,454**	**(947,342)**	**453**	**51,435**	**51,888**	**(1,628,019)**	**3,040,337**	**255**	**3,040,592**
Profit/(Loss) for the year		–	–	–	–	–	–	–	–	35,164	35,164	40	35,204
Other comprehensive income/(loss) for the year after tax	15, 28	–	–	–	(27,267)	–	(384)	36,101	35,717	–	8,450	–	8,450
Total Comprehensive income/(loss) for the year, after tax		**–**	**–**	**–**	**(27,267)**	**–**	**(384)**	**36,101**	**35,717**	**35,164**	**43,614**	**40**	**43,654**
Disposals of property, plant and equipment		–	–	–	(26,060)	–	–	–	–	26,060	–	–	–
Other movements		–	–	–	(13,739)	–	–	–	–	14,659	920	–	920
Balance, December 31st, 2020		**575,360**	**106,679**	**128,317**	**4,686,388**	**(947,342)**	**69**	**87,536**	**87,605**	**(1,552,136)**	**3,084,871**	**295**	**3,085,166**

– The accompanying notes are an integral part of the consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020 (All amounts in thousands of Euro)

		COMPANY									
							Other Reserves				
	Note	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	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, 2019		**575,360**	**106,679**	**128,317**	**3,726,829**	**(947,342)**	**(263)**	**55,654**	**55,391**	**179,792**	**3,825,026**
Profit/(Loss) for the year		–	–	–	–	–	–	–	–	(1,963,107)	(1,963,107)
Other comprehensive income/(loss) for the year after tax		–	–	–	852,660	–	413	(29,274)	(28,861)	–	823,799
Total Comprehensive income/(loss) for the year, after tax		**–**	**–**	**–**	**852,660**	**–**	**413**	**(29,274)**	**(28,861)**	**(1,963,107)**	**(1,139,308)**
Disposals of property, plant and equipment		–	–	–	(12,790)	–	–	–	–	12,790	–
Other movements		–	–	–	92,298	–	–	96	96	(92,293)	101
Balance, December 31st, 2019		**575,360**	**106,679**	**128,317**	**4,658,997**	**(947,342)**	**150**	**26,476**	**26,626**	**(1,862,818)**	**2,685,819**
Balance, January 1st, 2020		**575,360**	**106,679**	**128,317**	**4,658,997**	**(947,342)**	**150**	**26,476**	**26,626**	**(1,862,818)**	**2,685,819**
Profit/(Loss) for the year		–	–	–	–	–	–	–	–	42,976	42,976
Other comprehensive income/(loss) for the year after tax	15,28	–	–	–	(25,259)	–	(232)	25,458	25,226	–	(33)
Total Comprehensive income/(loss) for the year, after tax		**–**	**–**	**–**	**(25,259)**	**–**	**(232)**	**25,458**	**25,226**	**42,976**	**42,943**
Disposals of property, plant and equipment		–	–	–	(25,566)	–	–	–	–	25,566	–
Other movements		–	–	–	(13,739)	–	–	–	–	13,740	1
Balance, December 31st, 2020		**575,360**	**106,679**	**128,317**	**4,594,433**	**(947,342)**	**(82)**	**51,934**	**51,852**	**(1,780,536)**	**2,728,763**

– The accompanying notes are an integral part of the consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020 (All amounts in thousands of Euro)

		GROUP		COMPANY	
	Note	01.01.2020-31.12.2020	01.01.2019-31.12.2019	01.01.2020-31.12.2020	01.01.2019-31.12.2019*
Operating activities					
Profit/(Loss) before tax from continuing operations		**66,966**	**(2,057,903)**	**(16,489)**	**(2,390,425)**
Profit/(Loss) before tax from discontinued operations		–	–	**83,972**	**66,748**
Profit/(Loss) before tax		**66,966**	**(2,057,903)**	**67,483**	**(2,323,677)**
Adjustments:					
Depreciation and amortization	9	741,041	651,243	418,982	420,930
Impairment loss on assets	35	(125,319)	2,098,790	(130,912)	1,889,786
Depreciation of right-of-use assets	9	21,861	22,624	15,385	16,999
Impairment loss of the shareholding of Lignite Subsidiaries	17	–	–	124,426	286,300
Amortization of subsidies	9	(18,857)	(12,106)	(12,443)	(8,925)
Income from long-term contract liabilities	34	(88,577)	(86,865)	(248)	(248)
Income from the reversal of provision for supply of electricity at reduced tariffs	31	–	(243,415)	–	(148,058)
Share of loss/ (profit) of associates/ joint ventures	18	(2,423)	(2,422)	2	–
Interest income and dividends		(60,108)	(73,151)	(81,824)	(72,459)
Sundry provisions		102,548	(3,375)	47,412	92,856
Foreign exchange gains losses on loans and borrowings		835	(1,003)	835	(1,003)
Unbilled revenue	6	79,854	66,126	83,157	68,265
Disposals of property, plant and equipment and intangible assets	15	7,074	11,914	880	7,068
Amortization of loans' issuance fees	30	3,212	3,490	3,212	3,490
Interest expense		157,902	159,052	104,636	105,485
Operating profit before working capital changes		**886,009**	**532,999**	**640,983**	**336,809**
(Increase)/decrease in:					
Trade receivables	21	(95,246)	119,880	(34,763)	34,153
Other receivables	23	12,539	(33,198)	56,847	(595)
Inventories	20	7,134	(68,082)	6,246	(52,618)
(Increase)/decrease in:					
Trade payables	36	(248,788)	(46,195)	(398,864)	23,211
Other non – current liabilities	34	245,685	177,283	234,372	152,012
Accrued and other liabilities excluding interest	39	67,989	(73,552)	64,465	(48,495)
Restricted cash		9,050	13,929	14,949	13,929
Discontinued operations	5	–	–	199,630	228,990
Net Cash from Operating Activities		**884,372**	**623,064**	**783,865**	**687,396**

		GROUP		COMPANY	
	Note	01.01.2020-31.12.2020	01.01.2019-31.12.2019	01.01.2020-31.12.2020	01.01.2019-31.12.2019*
Investing Activities					
Interest and dividends received	12	60,108	73,151	81,824	72,459
Capital expenditure for property, plant and equipment and intangible assets	15, 16	(401,694)	(525,191)	(208,593)	(334,877)
Proceeds from long-term contract liabilities	34	60,380	59,473	–	–
Investments in subsidiaries and associates		2,301	(16,315)	(25,000)	(20,700)
Discontinued operations	5	–	–	(101,240)	(92,301)
Net Cash used in Investing Activities		**(278,905)**	**(408,882)**	**(253,009)**	**(375,419)**
Financing Activities					
Net change in short-term borrowings	37	23,522	(27,853)	30,000	(30,000)
Principal lease payments of right-of-use assets	42	(23,825)	(24,620)	(16,634)	(18,189)
Proceeds from long-term borrowing	30	483,120	730,464	226,637	370,167
Principal payments of long-term borrowing	30	(399,547)	(684,093)	(220,557)	(512,102)
Interest paid and loans' issuance fees		(160,013)	(172,174)	(103,846)	(118,170)
Dividends paid		(1)	(4)	(1)	(4)
Discontinued operations	5	–	–	(24,976)	89,452
Net Cash used in Financing Activities		**(76,744)**	**(178,280)**	**(109,377)**	**(218,846)**
Net increase / (decrease) in cash and cash equivalents		528,723	35,902	421,479	93,131
Cash and cash equivalents at the beginning of the year		286,917	251,015	205,461	112,330
Cash and cash equivalents at the end of the year		**815,640**	**286,917**	**626,940**	**205,461**

– The accompanying notes are an integral part of the consolidated and separate financial statements.
–* Some figures of the Parent Company are restated compared to those published in the annual financial statements as of December 31st, 2019 and include the figures of the Discontinued Operations (See Note 5).

D / Notes to the Financial Statements

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 efective December 2001, PPC's shares are listed on the Athens Stock Exchange.

In the Fourth Quarter of 2019, the Parent Company started to operate in the Natural Gas market.

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 December 31st, 2020 the number of personnel employed by the Group was 13,832 (2019 : 15,109). On December 31st, 2020 92 employees of the Group (2019: 88), have been transferred to several State agencies (ministries, organizations, etc.), out of which, 89 were compensated by PPC (2019: 86). The total payroll cost of such employees, for the fiscal year ended December 31st, 2020 amounted to Euro 3,507 (2019: Euro 3,243). Additionally, on December 31st, 2020, PPC's transferred employees in EFKA (Greek Single Social Security Institution) amounted to 189, (2019: 209) for which payroll cost amounted to Euro 8,114 (2019: Euro 8,868).

PPC Group generates electricity in its own power generating stations of the Parent Company, from its wholly owned subsidiaries "LIGITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." and "PPC Renewables S.A.", and distributes electricity to consumers through its own distribution lines for Medium and Low voltage and from its own Network of High Voltage lines that are managed by its wholly owned subsidiary "Hellenic Distribution Network Operator (HEDNO S.A.)". PPC Group has also developed an urban fibre optics network. Lignite consumed by the Group's lignite-fired power stations is extracted, to a significant extent, from its own lignite mines.

Finally, the Group'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.).

2. LEGAL FRAMEWORK

A. Changes in the Legal Framework of the Electricity Market for 2020

A1. New Electricity Markets.

- By Law 4425/2016 (OG A' 185/30.09.2016) the reorganization of the electricity market was introduced with the establishment of Electricity Markets (Forward Market, Day Ahead Market, Intraday and Balancing Market) as well as the jurisdiction and the responsibilities of Market Operators. Subsequently, with Law 4512/2018 (OG A' 5/17.01.2018) issues associated with the establishment and operation of the Energy Exchange were regulated. Also, the Energy Exchange Clearing House S.A. was established under the distinctive title EnExClear, for the settlement of transactions in the Day Ahead and Intraday markets of the Energy Exchange S.A., as well as any other related activity. The Hellenic Capital Market Commission, with its decision No. 1/872/04.03.2020 (OG B' 1491/ 21.04.2020) granted to EnEx and EnExClear the license of the operation and settlement of the above markets respectively. RAE, with its Decision No. 942/2020 (OG B' 2955/20.07.2020), assigned to EnExClear S.A. the settlement of the Balancing Market.
- The Derivatives' Market started its operation, without physical delivery, on March 23rd, 2020. PPC operates as a Market Maker in the Derivatives Market.
  The Day Ahead Market, the Intraday Market and the Balancing Market started their operation on November 1st, 2020 (according to RAE's Decision No. 1298/11.09.2020, OG B' 4415/07.10.2020). At the same date the Derivatives Market started its operation with the capability of physical dlivery.
- With RAE's Decision 1574 /2020 (OG B' 5504/14.12.2020), December 16th 2020 was set as the settlement day for the physical delivery into the conjucted operational Day Ahead Market in the cross-border connection between Greece and Italy, for the fulfilment of the unified European electricity market target.
- For the operation of the Electricity Markets, the following Regulations have been approved:
  - Operation of the Financial Energy Market (Derivatives Market) (OG B' 1491/21.04.2020)
  - Operation of the Day Ahead Market and the Intraday Market (RAE Decisions 1228/2020 & 1456/2020, OG B' 4124/24.09.2020 & OG B' 4760/29.10.2020)
  - Operation of the Balancing Market (RAE Decision 54/2021, OG B' 531/10.02.2021)
  - Settlement for the Day Ahead and Intraday Market transactions (RAE Decision 1125A/2019, OG B'428/12.02.2020)
  - Settlement for the Balancing Market (RAE Decision 943/2020, OG B' 3076/24.07.2020)
- In addition, RAE, EnEx and IPTO issued a series of methodologies & Technical Decisions regulating individual issues of the Day Ahead Market, the Intraday Market and the Balancing Market. A special reference should be made to IPTO's Technical Decision for the Integrated Scheduling Process for the operation of the Interconnected System, taking into account the results from the Day Ahead Market, the Derivatives Market and the Intraday Market, while at the same time, resolving the Balancing Market in order to cover the System's needs.
- With RAE's Decision 54/2021 (OG B' 531/10.02.2021), the submission of energy quantities with a negative sign for the Balancing Market was suspended, until technical restrictions in the Peloponese Transmission System were resolved.

- According to RAE's Decision No. 1008A/2020 (OG B' 3385/13.08.2020), each electricity Supplier with a minimum share in the retail market equal to 4%, may declare in the Day Ahead Market (per hour) quantities of electricity for physical delivery corresponding to 20% on the quantities traded on Energy Financial Instruments in the Financial Energy Market or bilaterally. This facility was extended up to Dec. 31st, 2021 with RAE's Decision. No 1657/2020 (OG B' 6027/31.12.2020).
- With RAE's Decision.No 1539/2020 (OG B' 5473/11.12.2020), certain provisions of the DAPEEP Code were altered concerning the calculation procedure and the clearing of the Weighted Variable Cost of Thermal Stations for the period 01.11.2020 to 31.12.2020 in order for the regulatory framework to be adjusted according to the distinct Electricity Markets
- By force of Law 4759/2020 (OG A' 245 / 09.12.2020), inter alia, the charges imposed on the basis of the Average Variable Cost of Thermal Conventional Stations (MMKTHS) were abolished as of 01.01.2021, which for the year 2020 amounted to €104 mil.(included in the "electricity purchases" of the Income Statement) while an extraordinary charge of two (2) euro per megawatt / hour (MWh) was imposed on the load representatives in favor of the Special RES Account (ELAPE) for the Interconnected System on the quantities that were included in the Day Ahead Scheduling (DAS) for the period from 01.01-31.10.2020 (see Note 3) and on their net position in the Day Ahead Market and the Intraday Market from 01.11-31.12.2020, while for the Non-Interconnected Islands (NII) on the energy produced corresponding to their share of representation. An extraordinary contribution of 6% was also imposed on the sale price to the electricity producers from RES stations and cogeneration plants, which had entered normal or test operation until December 31, 2015 (see Note 3).
- By force of Decision No. ΥΠΕΝ / ΔΚΑΠΑ / 126440/2480 (OG B΄5901 / 31.12.2020) a percentage of 78% (instead of 72%) of the revenues from auctions for greenhouse gas emission rights for the year 2020 is allocated as a revenue of the Special RES Account.
- By force of RAE's Decision 1057/2020 (OG B' 3418 / 14.08.2020) certain provisions of the Market Clearing Manual of the Management Code of the Hellenic Electricity Transmission System were amended, regarding the calculation of the Uplifts for the Clearing Balancing Account, ΛΠ-2, as well as concerning the management by HEDNO of the Public Service Obligations (PSO) Account, and by DAPEEP of the clearing and collection of ETMEAR and MMKTHS charges.

The Transitional Flexibility Compensation Mechanism and the Interruptible Load Service.

- The New Transitional Flexibility Compensation Mechanism was introduced by the Decision of the Ministry of Energy ΥΠΕΝ/ΔΗΕ/ 66754/810 (OG B' 2852/13.07.2020) which provides compensation to the eligible Flexibility Providers. This compensation is paid by the HETS Operator. The Providers are selected through an auction and their compensation is based on their offer price. The abovementioned Mechanism is in force up to March 31st 2021, or if this occurs earlier, until the implementation of the HETS Long-Term Power Capacity Compensation Mechanism.
- The Ministry of Energy, under Decision ΥΠΕΝ/ΔΗΕ/ 66759/811 (OG B' 2997/20.07.2020), approved the implementation of the Interruptible Load Service with two types ("ΥΔΦ1" and "ΥΔΦ2"). The Interruptible Consumers are selected by the HETS Operator through an auction. The above Service expires on September 30th, 2021.

Public Service Obligations (PSOs).

- RAE, with Decision No. 329/2020, upon a relevant recommendation of HEDNO S.A., approved the readjustment of the annual charge limit of the Electricity Customers to cover Public Service Obligations (PSOs) provisions for the year 2020.
- RAE, with Decision No. 854A/2019 (OG B' 593/25.02.2020) and No. 200/2020 (OG B' 509 /15.02.2020) approved the supplementary PSOs compensations for the Non-Interconnected Islands (NII) for the years 2013, 2014, 2015 and 2016, amounting in total to €6,761,552.57, based on the methodology for calculating the PSOs compensation in the Non-Interconnected Islands (RAE's Decision No. 14/2014). PPC's compensation, of €5,651,497.13, was collected within the first half of 2020 and is included in Other (income) / Expenses in the Income Statement for the year ended on December 31st , 2020
- RAE, with Decision No. 759/2020 (OG B' 2566/26.06.2020) approved the new methodology for calculating the annual PSOs to cover the costs for the provision of the Social Residential Tariff, pursuant to the Ministerial Decision ΥΠΕΝ/ΥΠΡΓ/892/152 (OG B'242/01.02.2018). For the years 2019 and 2020 (until the implementation of the new decision) the annual clearing of PSOs for the provision of the Social Residential Tariff will be calculated in accordance with those new provisions. From the date of the new decision's publication, the provisions of the Ministerial Decision Δ5/ΗΛ/ Β/ Φ1Β/2467/30.11.2007 , ceased to be in force, with the possibility of implementing them for the year 2018 and the period until 30.04.2018. Essentially, under this decision, the PSOs clearing will be made on a monthly basis according to the available certified metering data and the beneficiaries credited provisionally, while the calculations of the final Monthly PSOs as well as the clearing of the relevant differences, that may arise, will be made after the end of each calendar year.

Last Resort Supplier (LRS) and Universal Service Supplier (USS) of electricity.

- RAE's Decision No.408/2020 (OG B' 1314/13.04.2020) determined the procedure, the terms and the selection criteria of the Last Resort Supplier with a commencement date of the Service on June 29th, 2020 and of a two-year duration.
- RAE, with its Decision No. 1043/2020 (OG B' 2843/13.07.2020), assigned PPC S.A. as the Last Resort Supplier for a transitional period of three (3) months, for the period from June 29th, 2020 to September 28th, 2020 as the above procedure was declared barren.
- RAE, with its Decision No. 1352/2020, assigned the company "ELPEDISON S.A." as the Last Resort Supplier. for the period from September 29th to September 28th 2022.
- RAE, with its Decision No. 594/2019, assigned PPC as the Universal Service Supplier for the period from June 23rd, 2019 to June 22nd, 2020.
- The Ministry of Environment and Energy, with its Decision ΥΠΕΝ/ΓΔΕ/57469/2612 (OG B΄ 2400/17.06.2020), approved the selection procedure of the Universal Service Suppliers for electricity, the allocation of the Customers and the terms and conditions of the provision of the Universal Service.
- For the selection of a Universal Service Supplier for a period of two years, RAE announced an Invitation of interest (RAE's decision No. 407/27.02.2020 (B ' 1397) for which there was no interest and the tender was declared barren . (RAE's decision No. 886/2020). For this reason, the procedure set by Article 58 of L. 4001/2011 and specified by the Decision ΥΠΕΝ/ΓΔΕ/57469/2612 (OG B΄ 2400/17.06.2020) was activated, setting, the selection procedure of the Universal Service Suppliers for electricity, the allocation of the Customers and the terms and conditions of the provision of the Universal Service. By applying the above, the five (5) largest electricity Suppliers (PPC, MYTILINEOS, HERON, ELPEDISON and NRG) were assigned as Universal Service Suppliers for the period June 23rd, 2020 to June 22nd, 2022 based on the load declarations submitted to EnEx in May.

A2. Hellenic Electricity Transmission System (HETS) and Hellenic Electricity Distribution Network (HEDN).

- With RAE's Decision No 1412/2020 OG. 4658/22.10.2020) the Network Operation Manual of the Hellenic Electricity Transmission System was approved pursuant to Art, 96 of Law 4001/2011 as in force in the scope of reorganization of the greek electricity market and the application of the Target Model.
- With RAE's DecisionNo 1426/2020 (OG 4659/B/22.10.2020) the Manual of Collaterals of the Network Operation Manual of the Hellenic Electricity Transmission Systmem pursuant to subpara. 11.3 of said Manual and the Article 96 para 4 of Law 4001/2011 as remains in force.
- With RAE's DecisionNo 1603/2020 (OG 5944/31.12.2020) the regulations regarding the suspension and restitution of Market Activities were determined, in view of the enactment of the Grid Code for the emergency and restoration procedures of the Electricity Transmission System.
- RAE, with its Decision No. 1097/2019 (OG B' 1048/27.03.2020), approved the Ten-Year Network Development Plan (TYNDP) of the Hellenic Electricity Transmission System (HETS) for the period 2019-2028.
- RAE, with its Decisions No. 2/2020 and No. 3/2020 (OG B' 220/03.02.2020 and 229/03.02.2020 respectively), approved the tariffs for the use of the Distribution Network (HEDN's Unit Charges) as well as the tariffs for the use of the Transmission System (HETS Unit Charges), which are effective from April 1st, 2020.
- RAE, with its Decision No. 779/2020 (OG B' 1891/18.05.2020), introduced the Network Operation Manual of the HEDN's Management Code in order to provide full specification on the general principles included in the HEDN's Management Code regarding the Emergency Situations in the Network and the implementation of Load Cuts.
- RAE, with its Decision No. 30/2020 (OG 370/B/07.02.2020), approved the Manual for Meters and Metering of HEDN's Management Code, which includes information on the Network's metering provisions and their management, collection of telemetric and non-telemetric metering data, controlling, certification correction and assessment of said data, as well as issues of metering files together with access to metering data.
- RAE issued Decision No. 1431/2020 (OG B' 4740/26.10.2020): "Methodology for calculating the required revenue of the Operator of the Hellenic Electricity Distribution Network". After a Public Consultation in the period 05.06-19.06.2020, RAE proceeded to the preparation of methodology providing all the necessary directions regarding the way of determining the allowed and the required revenue of the operatorof the HEDN, which relate to the regulated activities of HEDN., the NII electrical systems management and the management of the Public Service Obligations (PSOs) account. The main points of the Methodology are summarized as follows: a) Application of uniform rules for regulating the income of the regulated activities of the HEDN operator, b) Definition of a multi-year Regulatory Period, c) Calculation of the Allowed Revenue in nominal terms, d) Calculation of the Required Revenue for each year of the Regulatory Period, with all the necessary adjustments of its individual parameters to current values. Special provisions are presented for the application of the Methodology during the first Regulatory Period 2021-2024.
- RAE issued Decision No. 1432/2020 (OG B' 4741/26.10.2020): "Regulation of incentive mechanism for the reduction of losses in the HEDN - Determination of details of application of the Network Management Code for the calculation of network loss rates". After a relevant consultation that ended on 22.05.2020 regarding the calculation of loss rates of the Network, RAE approved the Regulation which determines the details of the mechanism of connection of the Required Revenue of HEDNO with the level of energy losses in the Network. The purpose of the mechanism is to provide incentives to the Network Operator to reduce energy losses to economically efficient levels and maintain them at these levels, with the aim of long-term benefit to Network users. The first period of the mechanism starts on 01.01.2021 with a 4 year duration.
- RAE with its Decision 1566/2020 (OG B' 1389/08.04.2021) determined the return on the Regulated Asset Base of the Hellenic Electricity Distribution Network (HEDN) for the Regulatory Distribution Period 2021-2024, equal to 6.7%.
- By force of RAE's Decision, No. 1442/2020 (OG B' 4747/27.10.2020) the provisions of the HEDN's Management Code concerning the incorporation of the decision on meter representation, the obligations of HEDNO in the context of the Settlement of the Balancing Market, the calculations of the Network load representatives and the periodic settlement of load Representativesbefore the start of the new markets were amended.
- RAE, with its Decision No. 1443/2020 (OG B' 4737/26.10.2020), introduced the Manual of Meter Representation and Periodic Settlement, which is in force from 01.11.2020 and which, among other things, refers to the certification of customer data in cases of succession, the validity of initial consumption indications declared by Suppliers for Non-Remote Meters and the management of the benefits deactivation due to debt and the systematization of the monitoring of the performance of the Network Administrator.
- RAE, with its Decision No 1238A/2020 (OG B' 5089/18.11.2020) proceeded to the modification of provisions of the HEDN Management Code and the Electricity Theft Manual of the HEDN Code, after a suggestion of the HEDN Operator. Specifically, it is requested that it will not be characterized as theft the case of an arbitrary reconnection for which there is a supply contract in force and in addition there is no alteration of the metering data

A3. Other Issues of the Electricity Market.

- Decision ΥΠΕΝ / ΔΗΕ / 73978/911 (OG B' 3149/30.07.2020) determines the framework for the application of the provisions of Article 41 of Law 4643/2019 regarding the offsetting of claims that are registered in accounts maintained and managed by the Operators, namely IPTO S.A., HEDNO S.A. and DAPEEP S.A. Disputed claims are excluded from the netting.
- RAE, with its Decision No. 633/2020, approved the role of PPC as RES Aggregator in the electricity market for a 1,000 MW total capacity, for twenty (20) years with the option of extension.
- RAE, with its Decision No. 409/2020 (OG B' 1364/14.04.2020), entitled "Guidelines for transparency and verifiability of the charges in the competitive component of Low Voltage tariffs", designates, inter alia, that electricity Suppliers should provide at least one fixed tariff of a certain duration for each category of Small Customers in Low Voltage (residentials and small businesses), which do not wish to take risks. RAE, also sets the standardization of the readjustment clauses of the Competitive Charges in the Electricity Supply and the imposition of terms, charges or other fees in case of change of Supplier (clauses for early change of Supplier), which should be provided explicitly and distinctly in the Supply Contract with a predetermined duration. Following the above, PPC created the new base residential program myHome Enter which is available from October 7th, 2020 and offers a fixed charge of €/kwh with a duration of 24 months and a specific clause for early change of Supplier. Corresponding programs will be applied for small businesses within 2021.
- RAE, with its Decision No. 1151A/2019 (OG B' 1339/13.04.2020), approved the updated Program "Guaranteed Services to Consumers" of the Hellenic Electricity Distribution Network Operator for the second period of the implementation of the Program. RAE, with its later Decision No. 726/2020, amended the commencement date of implementing the new service of replacing the meter at the request of the customer (upgrade of the meter) with an implementation date of October 1st, 2020.

- Law 4685/2020 (OG A' 92/07.05.2020) "Modernization of environmental legislation, integration into the Greek legislation of the Directives 2018/844 and 2019/692 of the European Parliament and of the Council and other provisions", among others, regulates procedures for the location of RES stations, issues concerning Natural Gas Pipelines and Last Resort Supplier (amendment of 4001/2011), abolishes the limitations on the power capacity of the Megalopolis Unit V and allows its participation in the Wholesale Electricity Market, and announces the establishment of a New Transitional Flexibility Compensation Mechanism.
- Law 4759/2020 (OG A' 245/09.12.2020) sets out the provisions concerning, inter alia, the designation of Delignitization Zones (the Regional Units of Kozani and Florina of the Region in Western Macedonia and the Municipality in Megalopolis of Peloponnese) , the procedures, by which RES and cogeneration projects will be implemented in the aforementioned zones, the increase of the power limit of energy offset stations and the Special Consumption Tax Rates that are valid from 01.01.2021.
- By RAE's Decision No. 826/2020 (OG B' 2118/03.06.2020), the annual fees in favor of RAE for the year 2020 are adjusted according to the percentage change of the Consumer Price Index. For the electricity sector, the annual fees to be paid during the year 2020 are: €0.07 per MWh absorbed by licensees to supply electricity to consumers and €8.11 per MW of maximum net power by the electricity generation license holders.
- With the Joint Ministerial Decision ΥΠΕΝ/ΔΗΕ/70697/861 (OG B' 3088/24.07.2020) the provisions of Article 36 of Law 4508/2017 are made more specific, concerning the provision of an one-off special allowance to support the low-income consumers, which have been disconnected from the electricity distribution network until 30.04.2020 and remain disconnected due to overdue debts. This JMC, inter alia, determines the selection criteria of the beneficiaries, the procedure, the bodies, the services and the procedures of control and certification of the beneficiaries and their overdue debts, the amount and the allocation of the one-off special allowance.
- The Decision ΥΠΕΝ/ΔΑΠΕΕΚ/74976/2999 (OG B' 3154/31.07.2020) published the Allocation Table per Community of the special fee in favor of residential customers with active connection in areas where RES and Hybrid Stations operate for the period 2015-2019 (Total Amount €30,600,602), pursuant to article 25 of law 3468/2006 (A' 129) and joint decision No. ΥΠΕΝ/ΔΑΠΕΕΚ/48653/1597/29.05.2019. The Decision ΥΠΕΝ/ΔΗΕ/74949/926 (OG B' 3152/30.07.2020) determines the procedure for submitting applications by Potential Beneficiaries in order to be included in the Reduced Charges category of the Special Fee for the Reduction of CO_2 Emissions (ETMEAR). The new ETMEAR charges were set from 01.01.2019 in accordance with the provisions of Law 4625/2019.
- By RAE's Decision No. 1654/2020, was determined from 01.01.2021, the Base Charge of ETMEAR of article 143 par. 3b of law 4001/2011, as in force, at €17 / MWh.
- By RAE's Decision No 132/2021 (OG B' 581/12.02.2021) certain provisions of the Code of the RES Operator and Guarantees of Origin (OG B' 4748/2020) were amended, regarding the new Renewables special levy, the extraordinary charge for electricity suppliers and the distributed load of COGEN units.
- In application to the provisions of articles 27 and 49 of law 4001/2011 and article 7 of the Supply Codes to Customers (for natural gas GG B' 1969/2018 and for Electricity GG B' 832/2013 respectively, as in force), is published by RAE and the Price Comparison Tool in the field of Electricity and Natural Gas is put into operation on 09.12.2020 and, in addition, according to the no. 313/2019 (GG B' 1254/12.04.2019) Decision of RAE, the Rules of Operation of the Price Comparison Tool in the Energy Retail Market Sector are issued.

B. Natural Gas Market

B1. Natural Gas Market.

Auctions for the sale of Natural Gas by DEPA S.A.

- RAE with its Decision No. 1094/2019, set for 2020 the starting auction prices for the annual and quarterly natural gas auctions conducted by DEPA S.A. on the basis of an estimate of the latter's management costs to conduct such auctions.
- RAE with its Decision No. 800/2020 proceed to the amendment of the methodology on the starting price regarding DEPA natural gas auctions.
- With Decision 651/2017 of the Competition Committee the obligations of DEPA S.A. were altered, concerning the electronic auctions for natural gas quantities
- With Deision No 723/21.12.20 of the Competition Committee the request of DEPA for its exemption from the obligation to implement a program for the supply of natural gas quantities through electronic auctions was accepted.

B2. Natural Gas Networks.

National Natural Gas System (NNGS).

- By force of decisions 727/2020 (OG B' 1684/04.05.2020) and 1035/2020 (OG B' 2840/13.07.2020) of RAE, the Code of the National Natural Gas System (5th Revision), the Tariff Regulation of the NNGS Basic Activities, as well as the Load Balancing Manual of the National Natural Gas Transmission System were amended.
- By force of decision 1433/2020 (OG B' 4799/30.10.2020) of RAE, the Management Code of the National Natural Gas System was re-amended (6th Revision).
- RAE, with its Decision No. 941/2020 (OG B' 2990/20.07.2020), approved the NNGS's Annual Balancing Services Planning for the year 2021.
- RAE, with its Decisions No. 821/2020 (OG B' 2016/30.05.2020) and 1435/2020 (GG B' 4802/30.10.2020), updated the Framework of Standard Contracts concerning the Natural Gas Transmission and the Use of LNG Facility services.
- According to RAE's Decision No. 19/2020 (OG B' 2463/22.06.2020), at the Interconnection Point "KIPI", the annual auction of transmission capacity of natural gas for the period 01.10.2020 - 30.09.2021 and the annual auction of transmission capacity of three months duration for the four quarters of the natural gas year 2020-2021, were cancelled.
- By force of the Decision RAE 1383/2020 (OG B' 4766/29.10.2020) the parameters involved in the calculation of the cost of the gas necessary for the operation of the NNGS as well as the Unit Charge for its compensation for the years 2019 to 2021 were approved.
- By force of the Decision RAE 1197/2020 (OG B' 5082/18.11.2020) the parameters that are included in the calculation of the load balancing cost of the NNGS for Year 2020 were approved.

Natural Gas Distribution Network.

- RAE, with its Decision No. 756/2020 (OG B' 1788/11.05.2020), updated the Standard Contract for the Connection in the Distribution Network.
- By force of RAE's Decisions, the Development Programs 2021-2025 of the Distribution Networks of Attica (RAE 1581/2020 - OG B' 5754/28.12.2020) and Thessaloniki / Thessaly (RAE 1582/2020 - OG B' 5999/31.12.2020) as well as the development plan for the period 2020-2024 for the rest of Greece (RAE 853/2020 - OG B' 2836/13.07.2020) were approved.

B3. Other Issues of the Natural Gas Market.

- With RAE's Decision 1364/2020 (OG B 4664/22.10.2020), the procedure, the terms and the criteria for candidates' selection under invitation of interest, concerning the natural Gas Last Resort Suppliers have been designated.

C. Electromobility.

- Law 4710/2020 "Promotion of electromobility and other provisions" establishes the regulatory framework for the electromobility market and regulates the framework for expanding the use of low and zero emission vehicles and developing the recharging infrastructures (establishment of incentives for electromobility e.g. tax incentives, incentives for licensing units to produce electric vehicles, imposition of an environmental tax and a ban on the importation of old, polluting used vehicles, incentives to create free parking spaces for electric vehicles).

3. SIGNIFICANT EVENTS

Effects of the Covid-19 Pandemic.

On March 11th, 2020, World Health Organization (WHO) declared the Covid-19 a pandemic, given the rapid spread worldwide. Since mid-March, the Greek government began taking measures both to reduce the spread of the disease and to mitigate the economic impact of the Covid-19 pandemic on affected businesses and individuals.

The Group and the Parent Company implement a series of actions aiming to inform employees, raising their awareness on the prevention and protection measures, providing them with the appropriate Personal Protective Equipment (PPE), protecting both them and their families and at the same time ensuring their business continuity. PPC also took extraordinary measures in order to relief electricity consumers, amending its tariffs in electricity bills from March 26th, 2020 and for a quarter, while some of the measures were extended until December 31st, 2020. Furthermore, the Parent Company from October 1st, 2020, until December 31st, 2020, proceeded to a new package of financial relief measures for electricity consumers due to the pandemic as mentioned below in the section

Commercial policy and Management of overdue debts.

The Group's and the Parent Company's Management, during the previous period, monitored daily the developments and measures taken regarding the rapid spread of the Covid-19 pandemic and assessed any adverse or positive impacts that may have arisen, making estimates for the following:
- The evolution of the electricity demand.
- The availability of the Power Production Units.
- The evolution of the expenditures (energy balance, payroll, other expenses etc.).
- The evolution of the revenues from electricity sale.
- The evolution of other revenues (i.e. revenues from the use of the Distribution Network).
- The evolution of the expected cash flows.
- The possibility of breach of contracts by the suppliers (due to extraordinary events).
- The possibility of reduced electricity bills collection.
- The possibility of changing the investment plan.
- The degree of achievement its business plan and the need to adjust it.
- The fair value of the Group's property, plant and equipment.

Due to the fact that the majority of the impacts mainly comes from the measures taken, both worldwide and in Greece since mid-March 2020 to reduce the spread of the pandemic and to mitigate the economic impact on businesses and individuals, the Group's and the Parent Company's operation has been affected, initially causing short-term effects on their financial position, operating results and cash flows, while in the medium - long term horizon there may be positive impacts on the implementation of their business and investment plans.

Based on the above for the year 2020:
- There is a reduction of expenses for the energy balance as a result of the reduced volume of electricity purchases due to the reduced electricity demand, low fuel prices as well as the reduced SMP. In the following table the corresponding figures, concerning expenses for the Group and the Parent Company for 2020 and 2019 are presented.

	GROUP			COMPANY		
	2020	2019	D%	2020	2019	D%
Liquid Fuels	462,515	670,885	-31%	455,849	659,303	-31%
Natural Gas	297,858	431,390	-31%	297,858	431,390	-31%
Energy purchases	1,117,863	1,486,367	-25%	1,215,330	1,698,415	-28%
Emission allowances	393,486	546,462	-28%	327,861	411,885	-20%
TOTAL	**2,271,722**	**3,135,104**	**-28%**	**2,296,898**	**3,200,993**	**-28%**

- There is a decrease of Electricity Sales by €341.3 mil. and €351.7 mil. compared to 2019 due to the reduced demand for electricity for the Group and the Parent Company respectively.

The overall economic impact of the current crisis, from the Covid-19 pandemic, on the global and the Greek economy as well as on business activities, cannot be assessed at this moment due to the high degree of uncertainty resulting from the inability to predict the final outcome. In any case, the Group's and the Parent Company's Management monitors constantly the developments of Covid-19 pandemic and evaluates any possible further effects on the operation, financial position and results of the Group and the Parent Company, and stays alert to take further appropriate precautionary measures to safeguard the Group's and the Parent Company's liquidity and business activities.

Collection of a prepayment from the Greek State for electricity consumption of its entities for the year 2021.

On December 30th, 2020 and on February 26th, 2021 according to the Decision of Ministry of Finance 2/82824 ΔΛΤΠ(Α)/22.12.2020 (OG B' 5721/24.12.2020), the Greek State paid to the Parent Compay the amounts of €200 mil. and €390.5 mil. totaling to an advance payment of €590.5 mil. respectively, as a prepayment for the electricity consumption of its entities for the year 2021 based on a five year agreement signed with the Greek State on June 14th, 2018.

Commercial policy and Management of overdue debts.

PPC in order to meet its customers' needs during the period of the Covid-19 pandemic, announced extraordinary measures applicable from March 26th, 2020 until June 25th, 2020.

- Abolition of the fixed charge in all Low Voltage tariffs.
- Abolition of the second consumption range of the electricity charge in tariffs Γ1 and Γ1N, for the consumption within the peak period.
- Abolition of the €1 charge for every printed bill.
- Readjustment of the discount on each issued electronic bill, from Euro 1 for Bimonthly bills and Euro 0.50 for Monthly bills to €5 and €2.50 respectively.
- For vulnerable customers which are included in the categories B & Γ, the Company applied an 8% discount on the competitive component of their bill.
- Application of an 8% discount in all Business Tariffs Γ21, Γ22 and Γ23 for the consumption of more than 2,000 kWh within the peak period.

Part of the above-mentioned measures were extended until September 30th, 2020, and specifically:

- The abolition of the second consumption range of the electricity charge in tariffs Γ1 and Γ1N, for the consumption within the peak period.
- The abolition of the €1 charge for every printed bill.
- The readjustment of the discount on each issued electronic bill for business customers.

The Parent Company, starting from October 1st, 2020, until December 31st, 2020, proceeded to the following new financial relief measures due to the pandemic:

- Free fixed fee for all Low Voltage customers households and businesses.
- Abolition of the second consumption range of the electricity charge in tariffs Γ1 and Γ1N, for the consumption within the peak period.
- Application of an 8% discount in all Business Tariffs Γ21, Γ22 and Γ23 for the consumption of more than 2,000 kWh within the peak period.
- For vulnerable customers which are included in the categories B & Γ, the Company applied an 8% discount on the competitive component of their bill.
- Readjustment of the discount on each issued electronic bill, to €10 for Bimonthly bills and €5 for Monthly bills.

Since January 1st, 2020, the discount due to the prepayment of the electricity bills is adjusted to 2%.

Since April 16th, 2020, PPC provides to farmers a favorable debt repayment plan with the option of paying 15% or 20% of the debt and repayment of the remaining amount in 18 or 24 installments, respectively. Regarding the other categories of customers, it maintains the new debt repayment plan since October 1st, 2019.

PPC continues its cooperation with a specialized support service company in terms for a more efficient management of PPC's customer base. With emphasis on overdue debts and according to the Electricity Supply Code, PPC proceeds to targeted electricity disconnections for customers due to overdue debt. Finally, PPC, by applying the the provisions of the Supply Code, stops massively the representation of customers which did not pay their debts for many months and did not respond to PPC's calls to settle their debts.

In addition, from the second half of 2020, PPC offers new products with competitive energy charges to attract new customers (such as PPC My Home Online, PPC My Home Enter), and adopts new ways of serving its customers.

PPC establishes the service under appointments in most of its Sales' Departments while the hours of public have been extended till afternoon in 24 of those Depts.

As from 01.01.2021 the Company ensures the stability in bills'charges absorbing any contigent charge that may arise from the CO_2 clause in electricity tariffs, according to the announcements made till April 2021. Thus, any contigent charges resulting from an increase of the said clause will be absorbed by PPC and will not burden in its customers' tariffs (it is applicable to low voltage domestic customers, vulnerable customers, but not to medium and high voltage customers).

A very competitive tariff applies for the new program under the name "My home Enter" with a fixed tariff for customers which will make the said choice, with no revaluation clauses for the whole period of the contract, providing them with the necessary safety they seek.

Retrospective revision of natural gas supply prices.

In April 2020, DEPA refunded to PPC a net amount of Euro 44.8 mil, plus interest of Euro 3.8 mil. due to a retrospective revision by DEPA, of the contractual natural gas supply prices to PPC for the years 2012-2019. This revision was made following a decision by the International Court of Arbitration for the contract between BOTAS-DEPA and for which, as the Company was informed, BOTAS has filed an appeal. The above amounts are included in other (Income)/Expenses in the Income Statement for the year ended on December 31st 2020.

Securitization of Trade Receivables from electricity sales of current electricity bills and due electricity bills of up to 60 days.

On August 6th, 2020, PPC S.A. signed the securitization contracts of trade receivables from energy sales of current electricity bills and electricity bills due of up to 60 days and on November 24th, 2020, received an initial amount of Euro 150 mil. with an interest rate of 3.5% for an amount of securitized trade receivables of nominal amount Euro 206 mil., with JP Morgan Chase Bank as the investor and PPC Energy Finance DAC being the issuer, receiving also subordinated Bonds amounting to Euro 55.7 mil.

The Parent Company acts as the Servicer in the transaction having assigned specific management services for the securitized trade receivables to Qualco S.A. (Sub-Servicer). This financing line, of a 3-year duration, is revolving and allows the Parent Company to make future disbursements.

A financial liabitlity has been recognized by Parent Company towards PPC Energy Finance DAC, which has been entitled to issue notes of an amount of Euro 150 mil. for the securitization of the abovementioned trade receivables.

On December 31st 2020 the financial liability towards PPC Energy Finance DAC amounts to Euro 138.4 mil. out of which euro 11.7 mil. are included in the short term liabitlities.

On December 31st, 2020 the securitized receivables appear in the Statement of Financial Position, as the criteria of IFRS 9 for de-recognition are not met, amounting to Euro 174.7 mil. (nominal amount). Finally, the criteria of IFRS for the consolidation of the special purpose vehicle (Energy Finance DAC) are not met.

Deficit of the Renewables Special Account.

Article 157 of L 4759/2020 (OG A' 245/09.12.2020) provides for the imposition of an extraordinary contribution on electricity producers from Renewable Energy stations. and High Efficiency Electricity - Heat Cogeneration (S.I.TH.Y.A.), which have been put into normal or test operation until December 31, 2015. The extraordinary contribution was calculated as a percentage of the pre-VAT value of electricity sold, which is injected by the producer in the System or the Interconnected Network or in the electrical systems of the Non-Interconnected Islands (NII), for electricity sales that take place during the period from 01.01.2020 to 31.12.2020 or are invoiced in the monthly clearings of the year 2020 and is calculated with a 6% for all categories of producers.
In addition, an extraordinary charge for the year 2021 was imposed on each load representative, which is set at two (2) euros per megawatt hour (MWh), as follows:

A) For the Interconnected System and the Interconnected Network on the quantities of the load declarations of the load representatives included in the daily energy schedule for the meter or meters representing in the Interconnected System and Network for the the number of days from 01.01.2020 to 31.12.2020 and based on the net position of the settled purchase and sale orders of the load representatives in the Day Ahead Market and the Intraday Market for the days of fulfillment of physical delivery from 01.11.2020 until 31.12.2020,
B) For the NII on the energy produced according to its percentage of representation, according to the monthly settlements of HEDNO.

Due to the above extraordinary measures, the Group and the Parent Company will pay in order to cover the Special RES Account deficit the amount of Euro 74.3 mil. and Euro 72.9 mil. respectively, which burdened the results of the year ended December 31, 2020 and in particular the line items "Electricity Purchases" by Euro 72.9 mil. for the Group and the Parent Company and "Other (Revenue)/Expense" for the Group by Euro 1.4 mil. An equal amount liability is included in the line item "Accrued and Other Liabilities" of the separate and consolidated Statement of Financial Position.

4. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

4.1. Basis of Preparation

Statement of compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Approval of financial statements
The Board of Directors of the Parent Company approved the accompanying financial statements for the year ended December 31st, 2020, on April 20th , 2021. These financial statements are subject to approval by the Parent Company's General Shareholders' Meeting.

Basis of preparation of financial statements
The financial statements have been prepared under the historical cost convention, except for property, plant and equipment (exluding lakes and mining land) and financial assets valued at fair value through other comprehensive income that have been measured at fair value, assuming that PPC will continue as a going concern. The financial statements are presented in thousands of Euro and all values are rounded to the nearest thousand, unless otherwise stated.

The Group's and the Parent Company's total current liabilities exceed the total current assets by approximately Euro 490.7 mil. and Euro 158.1 mil., respectively (31.12.2019: Group Euro 803.3 mil. and Parent Company: Euro 1,140.3 mil.). This difference is mainly due to the obligation to repay within the year 2021 the current portion of long-term borrowing amounting to Euro 546 mil. It is noted that the Group and Parent Company as at December 31st, 2020 are in full compliance with the terms of all their loan agreements.

In order for the Group and the Parent Company to be able to meet their liabilities as long as they become overdue, they have taken the following actions:
1) Securing long term borrowings and a releasing (guarantees because of borrowing) pledged deposits amounting to Euro 15.8 mil. in 2021.
2) The Parent Company raised in March 2021 from the international capital markets an amount of Euro 775 mil through the issuance of international corporate senior Notes of Euro 650 mil. and Euro 125 mil. with a sustainability clause maturing in 2026. Part of the Euro 775 mil. amount was used for the repayment of existing long term borrowing in view of the restructuring of the Parent Company's long term borrowing in longer term maturities.
3) The collection from the Greek State, in February 2021, of an amount of Euro 390.5 mil. (while in December 2021 an additional amount of Euro 200 mil. was collected), as a prepayment for electricity consumption of its entities for the year 2021. This prepayment by the Greek State is expected to be repeated in the first quarter of 2022 based on a five-year agreement signed with the Greek State on June 14th, 2018.
4) The Parent Company on April 2021 signed the securitization agreements for trade receivables overdue more than 90 days, with a capital raising of up to Euro 325 mil., within the next twelve (12) months.

In addition, it is expected that the Group's and the Parent Company's increased operational profitability will continue, which is mainly due to the reduced Energy Balance expense, driven by lower volume of electricity purchases and low fuel prices.

However, it should be noted that, despite the above, current liabilities are expected to continue to exceed current receivables in the future.

Since March 2020, the spread of Covid-19 proves to be a major global and European challenge. The Group and the Parent Company, already from the initial outburst of the Covid-19 pandemic, implement a series of actions aiming to inform their employees, raise their awareness on the prevention and protection measures, providing them with the appropriate Personal Protective Equipment (PPE), protecting both them and their families and at the same time ensuring the continuity of their operation.

The Group's and the Parent Company's Management monitors daily the developments regarding the rapid spread of the Covid-19 pandemic and the measures that the Greek State implements, studying on an ongoing basis any negative or positive impact that may arise in their financial position, operating results, cash flows and the implementation of their business and investment plans, and proceeds with estimates and quantification of the relevant figures where possible.

From the assessment carried out up to date, it does not seem that any significant negative impact will arise for the Group and the Parent Company in the future from the measures already taken for the reduction of the spread of Covid-19 pandemic.
On the contrary, an increase in the operational profitability of the Group and the Parent Company is expected, due to the significant decrease of energy costs that covers the decreased turnover, while simultaneously offsetting the negative impact from the increase of overdue receivables. In any case, the Company will be in compliance with the covenants included in its loan agreements for the period ending until June 30th, 2022.

Taking into consideration the cash flows of the approved Budget for the year 2021, the estimated cash flows until June 30th, 2022 and all the available information for the foreseeable future including the up to date data on the impact of the Covid-19 pandemic, Management estimates that the Group and the Parent Company have ensured that they will continue to operate as a going concern and thus prepared the financial statements on the basis of the going concern principle, as Management does not intend to liquidate the Group or the Parent Company or to cease their transactions and under no circumstances is forced to do so.

Consequently, Management concluded that the basis of the going concern is the correct one, after having taken into consideration a wide range of factors.

Basis of consolidation
The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries, drawn up to December 31st each year. Subsidiaries (companies in which the Group directly or indirectly or through other subsidiaries has an interest of more than one half of the voting rights or otherwise has power to exercise control over their operations) have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Losses within a subsidiary are apportioned to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary (without any change in control) is accounted for as an equity transaction. All inter-company balances and transactions have been fully eliminated as well as unrealized intra – group gains and losses. Where necessary, the accounting policies of subsidiaries have been revised to ensure consistency with the accounting policies adopted by the Group.

It is noted that certain of the abovementioned requirements have not a retrospective effect, and due to this reason the following differences are carried forward in certain instances from the previous basis of consolidation:

- Losses incurred by the Group were not attributed to the non-controlling interest until the balance was reduced to nil. Any further excess losses were attributed to the Parent Company, unless the non-controlling interest had a biding obligation to cover these.

In case that the Group loses control of a subsidiary then the following are:

Derecognized:
- The assets (including the surplus value) and liabilities of the subsidiary.
- The book value of the non-controlling interest.
- The accumulated exchange differences, which have been recorded in Equity.

Recognized:
- The fair value of the price obtained.
- The fair value of the remaining participation.
- Any surplus or deficit in the Statement of Income.
- The Parent Company's share in the elements previously recognized in the comprehensive income statement, in the income statement or the retained earnings where that is judged necessary.

4.2. Changes in Accounting Policies and Disclosures

A) New standards, amendments to standards and interpretations adopted.

The accounting policies on the basis of which the annual separate and consolidated financial statements were prepared for the year ended December 31st, 2020 were consistent with those used in the preparation of the annual separate and consolidated financial statements for the year ended December 31st, 2019 with the exception of the following amendments and standards, which were adopted by the Group and the Parent Company on January 1st, 2020 and did not have a material impact on the annual separate and consolidated financial statements for the year ended December 31st, 2020.

- Conceptual Framework in IFRS standards
  The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The Conceptual Framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. Its objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction.

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of 'material' (Amendments)
  The Amendments clarify the definition of material and how it should be applied. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity". In addition, the explanations accompanying the definition have been improved. The Amendments also ensure that the definition of material is consistent across all IFRS Standards.

- IFRS 3: Business Combinations (Amendments)
  The IASB issued amendments in Definition of a Business (Amendments to IFRS 3) aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The Amendments are effective for business combinations for which the acquisition date is in the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period

- Interest Rate Benchmark Reform - IFRS 9, IAS 39 and IFRS 7 (Amendments)
  In September 2019, the IASB issued amendments to IFRS 9, IAS 39 and IFRS 7, which concludes phase one of its work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting. The amendments published, deal with issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative interest rate and address the implications for specific hedge accounting requirements in IFRS 9 "Financial Instruments" and IAS 39 "Financial Instruments: Recognition and Measurement", which require forward-looking analysis. The amendments provide temporary reliefs, applicable to all hedging relationships that are directly affected by the interest rate benchmark reform, which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate. There are also amendments to IFRS 7 "Financial Instruments: Disclosures" regarding additional disclosures around uncertainty arising from the interest rate benchmark reform. Phase two (ED) focuses on issues that could affect financial reporting when an existing interest rate benchmark is replaced with a risk-free interest rate (an RFR).

B) 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.

- IAS 1 Presentation of Financial Statements and IFRS 2 Statement of Practice: Disclosure of Accounting Policies (Amendments)
  The Amendments apply to annual periods beginning on or after 1 January 2023 with earlier application permitted. The amendments provide guidance on the application of material crises to accounting policy disclosures. In particular, amendments to IAS 1 replace the requirement to disclose «significant» accounting policies with the requirement to disclose «material» accounting policies. Instructions and illustrative examples are also added to the Practice Statement to assist in applying the concept of substance when making judgments about accounting policy disclosures. The Group is in the process of assessing the impact of the application of these amendments to its financial statements.

- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments)
  Amendments take effect for annual reference periods beginning on or after 1 January 2023 with earlier application permitted and applicable to changes in accounting policies and changes in accounting estimates made on or after the beginning of this period. 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. The Group is in the process of assessing the impact of the application of the amendments to its financial statements.

- 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 effect of applying the amendments to its financial statements.

- 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, 2022 with earlier application permitted. However, the Board has deferred the effective date by one year, i.e. 1 January 2023, to provide companies with more time to implement any classification changes resulting from the amendments. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current.

  The amendments affect the presentation of liabilities in the statement of financial position and do not change existing requirements around measurement or timing of recognition of any asset, liability, income or expenses, nor the information that entities disclose about those items. Also, the amendments clarify the classification requirements for debt which may be settled by the company issuing own equity instruments. These 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.

- IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020 (Amendments)
  The amendments are effective for annual periods beginning on or after 1 January 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:
  - IFRS 3 Business Combinations (Amendments) update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
  - IAS 16 Property, Plant and Equipment (Amendments) prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
  - IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendments) specify which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous.
  - Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases

  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.

- IFRS 16 Leases-Covid 19 Related Rent Concessions (Amendment)
  The amendment applies, retrospectively, to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorized for issue at 28 May 2020. IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. The amendment provides a practical expedient for the lessee to account for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification, only if all of the following conditions are met:
  - The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
  - Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
  - There is no substantive change to other terms and conditions of the lease.

  The amendment applies retrospectively to annual reporting periods beginning on or after 1 April 2021. In March 2021, IASB extended the exemption period by one more year, ie the application of the practical expedient in the event of a reduction in rent payments due to or before June 30, 2021 from June 30, 2021.

  The Group has not early adopted this amendment in its annual financial statement as it does not apply. The Group's Management will assess the early adoption of this amendment, in case that impacts due to Covid-19 arise on its leases.

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

4.3. Significant Accounting Judgments and Estimates

The preparation of financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may ultimately differ from those estimates. The principle judgments and estimates referring to events, the development of which could significantly affect the items of the financial statements during the forthcoming twelve month period are as follows:

Post-retirement benefits.

a) The Group's employees and pensioners are entitled to the supply of electricity (which the Parent Company provides) at reduced tariffs. Such reduced tariffs to pensioners are considered to be retirement obligations and are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end based on the employees earning retirement benefit rights steadily throughout the working period. The relevant retirement obligations are calculated on the basis of financial and actuarial assumptions.
b) According to Law 4533/2018 (OG A' 7527/4/2018) PPC and its subsidiaries pay an one-off allowance to the beneficiaries of pension (who are insured employees leaving PPC) in proportion to the years of actual service to PPC. This allowance cannot exceed the amount of €15.000 for insured employees which are retiring due to the termination of the employment contract, or due to the fact that insured employees reached the age limit or due to another reason for leaving, according to the provisions of the law.

The above is a defined benefit plan in accordance with the provisions of IAS 19. The present value of the liability assumed by PPC S.A. and its subsidiaries, is calculated at the end of each year using actuarial methods and is a past service cost for service provided in previous periods.

Details of the underlying assumptions and estimates of the above mentioned post - retirement benefits are included in Note 31.

Fair value and useful lives of property, plant and equipment.
The Group carries its property, plant and equipment (except for mining land and lakes) at revalued amounts (estimated fair values) as determined by an independent firm of appraisers. Revaluation is performed periodically (every three to five years). The determination of the fair values of property, plant and equipment requires from management to make estimates, assumptions and judgements with respect to the ownership, the value in use and the existence of any economic, functional and physical obsolescence of property, plant and equipment.

The last revaluation of property, plant and equipment was conducted on December 31st, 2019. The Management of the Group, taking into account changes in the economic environment as well as developments within the year of the key assumptions used in the recent revaluation of property, plant and equipment, believes that any change in the fair value of property, plant and equipment will not have a significant impact on the accompanying separate and consolidated financial statements as of December 31st, 2020. Furthermore, the management makes estimates regarding the total and the remaining useful lives of property, plant and equipment which are subject to periodic review. Useful lives as estimated are included in Note 4.4.

Impairment of property, plant and equipment.
The Group assesses at each reporting date whether there is an indication that a long – term asset may be impaired. The determination of whether such indications exists, requires from Management to make estimates, assumptions and judgments with respect to external and internal factors that may affect the recoverability of assets, as well as assumptions on the determination of the cash flow generating units (Note 15). More specifically, external factors include the change in the institutional framework, inflation, interest rates. On the other hand, internal factors are related to the internal decisions and the business plan of the Group and the Company. Indicatively, the key assumptions for the impairment test are the weighted average borrowing costs and the future cash flows of the assets under consideration.

The Group and the Parent Company as lessee.
The Management, in order to measure the right-of-use assets, determines the lease term as the non-cancellable term of the lease, together with any periods covered by a) an option to extend the lease if it is reasonably certain to be exercised, or b) an option to terminate the lease, if it is reasonably certain not to be exercised.

In determining the lease term, Management assesses all the facts and circumstances that create economic incentive in order to exercise the option of renewal or not exercise the option of termination.

After the commencement date of the lease, Management reassesses the lease term if there is a significant event or change in circumstances that is within their control and affects their ability to exercise (or not to exercise) the option to renew (for example a change in the Group's and the Parent Company's business strategy).

In addition, the Management in order to calculate the financial lease liability determined the incremental borrowing rate (IBR) at the lease commencement date as the interest rate implicit in the lease contract is not readily determinable. The IBR is the rate of interest that the Group and the Parent Company would have to pay, to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset.

Decommissioning and removal costs of property, plant and equipment and mines' land restoration costs.
Based on the provisions of IAS 16 "Property, plant and equipment" the cost of an item of property, plant and equipment includes, among others, the initial estimate of the costs required for the dismantling and removal of such an item. These costs are quantified and recognized in the financial statements in accordance with the provisions of IAS 37 "Provisions, contingent liabilities and contingent assets", while any subsequent change in the measurement of this provision is treated in accordance with the provisions of IFRIC 1.

The respective provision includes the land remediation cost, the cost of dismantling the existing equipment/machinery, the cost of demolition of buildings and collection of any waste from power plants and mines. At the time of their dismantling and removal, the actual cost and the commencement and expiration date of the relevant works may differ from Management's estimate.

In addition, the Group and the Parent Company, in order to calculate the provision of decommissioning, determined the discount rate that reflects the current market estimates for the time value of money and the risks associated with the liability.

Regarding the remediation of the environment of the hydro power plants, the Group and the Parent Company estimate that the relevant cost in present values is not significant on December 31st, 2020 and therefore they have not established any provision. In the future the actual commencement date of the relevant works and the remediation cost may differ from Management's estimate.

Details of the underlying assumptions and estimates for the decommissioning provision are included in principal accounting policies and in Note 32.

Provisions for risks.
The Group establishes provisions associated with claims by third parties against companies of the Group and which might lead to an outflow of resources for their settlement. The provision is established based on amounts claimed and the possible outcome of the legal dispute.

Provisions for trade receivables.
The Group and Parent Company apply the simplified approach set out in the Standard IFRS 9 for the calculation of Expected Credit Losses, according to which the respective provision is always measured in amount equal to the expected credit losses over the life of customer receivables. The provision for doubtful receivables is formed for high voltage customers on an individual basis in the assessment of the expected credit loss per customer, while for the estimation of the expected credit losses from medium and low voltage customers, credit loss provision tables are applied with an ageing analysis of the trade receivables balances, based on the historical data of the Group and the Parent Company for credit losses and adjusted for future factors with respect to debtors and the economic environment. Additional details are included in Notes 4.2 and 21.

Provisions for income taxes and recognition of deferred tax receivables.
Current provisions for income tax liabilities for current and prior years are calculated at the amounts expected to be paid to the tax authorities, using the prevailing tax rates at the balance sheet date. Provision for income tax includes current taxes reported in the respective income tax returns and potential additional taxes that may be imposed by the tax authorities upon settlement of the unaudited tax years on the basis of the findings of prior tax audits. Therefore, final settlement of the income taxes might differ from the income taxes that have been accounted for in the financial statements. From the fiscal year 2011 onwards, the Parent Company and several of its subsidiaries are audited for tax purposes by the Certified Auditors Accountants in accordance with the provisions of Income Tax Legislation. The audit for the fiscal year 2020 is ongoing and the relative tax conformity report will be issued after the publication of the financial statements for the year 2020. If, at the completion of the tax audit, additional tax liabilities arise, the Management estimates that these will have no material effect on the financial statements. Deferred tax receivables are recognized on carried forward tax losses to the extent that it is probable that future taxable profits will occur to offset carried forward tax losses. Deferred tax receivables that are recognized, require Management to make assessments as to the time and level of realization of future taxable profits.

Revenue recognition from consumed and non-billed energy and Contract Assets with low voltage customers.
Management considers that its customers consume the benefit of electricity over the period of the sale, while the Parent Company continues to fulfil its contractual liabilities. For this reason, revenue is recognized based on actual quantities of electricity consumed and based on an estimation of electricity consumed (unbilled revenue).

Especially for low voltage customers at each balance sheet date, unbilled revenue is recorded to account for electricity delivered and consumed by these customers but not yet billed. Unbilled revenue is estimated using certain assumptions with respect to quantities of electricity consumed, network losses and average electricity sale prices. The actual amounts that will be finally billed may differ from those provided for.

Recognition of revenue from customers' contributions.
The Group estimates that customers' contributions refer to the initial and continuous connection to the distribution network which is a distinct service, separate from electricity sale. The service which is promised to be delivered is the only one to be executed by HEDNO and this transaction is considered a separate contractual obligation. Therefore, revenue from customers' contributions is recognized as the service transferred to the customer. As the contract with the customer is not of a specific time duration, the revenue is recognized based on the useful life of the distribution network property, plant and equipment (35 years).

4.4. Principal Accounting Policies

Foreign currency translation.
The functional and reporting currency of all the Group entities is the Euro. Transactions involving other currencies are converted into Euro using the exchange rates, which were in effect at the time of the transactions. At the balance sheet date, assets and liabilities that are denominated in foreign currencies are adjusted to reflect the current exchange rates at the balance sheet date. Gains or losses resulting from foreign currency adjustments are reflected in foreign currency gains (losses), in the accompanying statements of income. Non-monetary items in foreign currency which are valuated at acquisition cost are converted using the exchange rate of the date of acquisition. The non-monetary items which are measured at fair value in foreign currency are converted using the exchange rate of the fair value's calculation date. The profit or loss from the conversion of non-monetary items is treated in the same way as the profit or loss from the conversion of fair value of these items.

Intangible assets.
Intangible assets include software and CO_2 emission allowances.

Software
Software programs are measured at their acquisition cost minus accumulated depreciation and impairments. In case of withdrawal or sale, the cost of acquisition and depreciation are written off. Any profit or loss resulting from the write-off is included in the Statement of Income. Software is depreciated using the straight line amortization method over a five-year period.

Emissions Allowances (CO_2)
The Parent Company acquires CO_2 emission allowances in order to meet its obligation arising from the actual CO_2 emissions of its electricity generation units. This liability is measured at fair value to the extent that Parent Company has the obligation to cover its emissions through purchases (after offseting of any free CO_2 emission rights held). Emission rights purchased and held are recognized as intangible assets, at their acquisition cost less any accumulated impairment loss.

Property, plant and equipment.
Property, plant and equipment are initially recognised at their acquisition cost which includes all direct attributable expenses for their acquisition or construction. Subsequent to their initial recognition, property, plant and equipment (with the exception of mines and lakes which are valued at their acquisition cost minus accumulated depreciation and impairment) are valued at fair value minus accumulated depreciation and impairment. Fair value estimates are performed periodically by independent appraisers (every three to five years) in order to ensure that fair value does not differ significantly from net value of the asset. At the date of revaluation, accumulated depreciation is offset against pre depreciation accounting values and net amounts are restated according to revalued amounts. Any increase in value is credited to the revaluation surplus in equity net of deferred taxes. However, an increase due to revaluation will be recognized in the Statement of Income, to the extent that it reverses a previous devaluation of the same asset, which had previously been recognized in the Income Statement.

Any decreases, first offset remaining revaluations surplus and then the remaining amounts burden the Statement of Income. Upon disposal of revalued property, plant and equipment, the relevant portion of the revaluation surplus is transferred from the revaluation surplus to the retained earnings.

Repairs and maintenance are recorded in expenses in the fiscal year in which they are incurred. Subsequent expenditure is capitalized if the criteria for recognizing them as property, plant and equipment are met. For all assets withdrawn or sold, their acquisition cost and depreciation are written – off when sold or withdrawn. Any gain or loss resulting from the write – off is included in the Statement of Income.

The use of the own resources for the construction in progress property, plant and equipment constitutes an addition to their acquisition cost at values which include the direct payroll costs of the staff participated in the construction (corresponding employers' contributions), the cost of materials used and other general costs.

Borrowing cost.
Since January 1st, 2009, borrowing costs that are directly related to the acquisition, construction or production of a qualifying asset that needs a substantial period of time to become available for its intended use or sale, are capitalised as part of the acquisition cost of that asset. This accounting policy is implemented on property, plant and equipment, recognized from January 1st, 2009 onwards (new constructions). All other borrowing costs are recognized as expenses in the period in which they are incurred.

Depreciation.
Depreciation of property, plant and equipment is calculated using the straight-line method over the estimated residual useful life of the asset. The total useful life (in years) used for calculating depreciation is as follows:

Buildings and Technical Works	
Buildings of general use	50
Industrial buildings	40-50
Dams	50
Machinery and Equipment	
Thermal power plants	35-40
Gas Turbines	35
Mines	20-40
Hydro power plants	50
Autonomous diesel power plants	25
Distribution	
Substations	35
Low and medium voltage distribution network	35
High voltage distribution network	35
Electronic meters	20
Transportation assets	15
Furniture, fixtures and equipment	5-25

Mining activities.
The Group and the Parent Company own and operate lignite mines. Land acquisition (mainly through expropriation) and initial (pre-operational) development costs relating to mines are capitalized and amortized (upon commencement of the mines' commercial operation) to the shortest period between mine life and a twenty (20) year period. Exploration, evaluation and ongoing development costs are added to the lignite production cost of the fiscal year they incurred.

After the completion of the mines' restoration, the restored mining land is transferred from the category «Mines» to the category "Land", if the restored land has been expropriated in the name of the Company and not in favor of the Greek State.

Provision for the dismantling and removal of the infrastructure and the equipment of power plants and mines.
The provision for the dismantling and removal of the infrastructure and the equipment of power plants is calculated taking into account the specificities of each unit (type of fuel, generating capacity, co-installation of units), calculating the present value of the land remediation cost, the cost of dismantling the existing equipment/machinery, the cost of demolition of infrastructure and collection of any waste by using a discount rate. The cost includes the direct cost of monitoring/managing the project of the withdrawal of units. The provision is reduced by actual costs (utilization of provision) and increases with the finance cost. In case the actual costs exceed the estimated ones, the difference is recorded directly in the Income Statement.
Moreover, the respective provision does not take into account any income from the sale of machinery, spare parts and materials of the decommissioned units or from the utilization of the land, as the relevant revenue will be recognized at the time it is considered certain.

For all units, the present value of their restoration costs, for the demolition of their infrastructure and the removal of their equipment is first capitalized on the value of assets they concern proportionately following their remaining useful life, while any remaining amount is then offset by any revaluation surplus existed with direct record in other comprehensive income and if any further amount remains it is then recognized in the Statement of Income.

Any changes in the provision of decommissioning of power plants due to a change in Management's estimate (change of the restoration time, change of the future use of the property, plant and equipment or related cost) affect the assets' revaluation surplus or deficit which was previously recognized, so that:

- A decrease in the liability shall be recognized in other comprehensive income and increase the revaluation surplus included in equity, with the difference that it will be recognized in the Statement of Income, to the extent that it reverses a previous revaluation deficit of the assets, which had previously been recognized in the Income Statement. In the event that a decrease in liability exceeds the book value that would have been recognized if the assets were recorded in accordance with the cost method, the excess amount will be recognized immediately in the income statement.
- An increase in the liability shall be recognized in the Statement of Income, with the difference that it will be recognized directly in other comprehensive income and it will reduce the revaluation surplus included in equity as long as there is a credit balance for the assets in the revaluation surplus.

The amortized amount of assets is depreciated throughout their useful life. Therefore, when the relevant assets reach the end of their useful life, any subsequent change in liability is recognized in the income statement when is incurred.
Due to the restructuring of PPC Group and the commitment undertaken by the Group and the Parent Company in 2019 to demolish infrastructure, remove equipment and fully restore then land when the industrial sites will cease from operation, the respective cost was first estimated on December 31st, 2019 (Note 32).
Simultaneously, the Group and the Parent Company recognized a provision for the removal of infrastructure/dismantling of equipment of its mines (Note 32) that includes the cost of the removal of infrastructure and the cost of dismantling of equipment with use of a discount rate, while it does not take into account any income from the sale of machinery, spare parts and materials. The provision is reduced by the actual costs incurred (utilization of the provision) and is increased with the finance cost. Any change in the provision of the removal of infrastructure/dismantling of equipment of mines follow the same accounting policies for the provision of decommissioning of power plants as the assets that they concern are measured based on the revaluation model.

Provision of mines' land restoration.
The Group and the Parent Company own and operate lignite mines. Provision for the remediation of the mines' land was established to meet the Group's liabilities for the remediation of the affected land, and was calculated on the basis of the affected area and the average cost of restoration per metric unit.

As the mines' lands are measured based on the cost method, any changes in the provision of the mines' land restoration are added or deducted from the cost of the relevant asset in the current period. The amount deducted from the cost of the asset cannot exceed its book value.

- In the event that a decrease in liability exceeds the book value of the asset, the excess amount is recognized immediately in the income statement.
- In the event of an increase in the cost of an asset, the Company considers whether this is an indication that the asset's new book value may not be fully recoverable.

Leases – IFRS 16.
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee.
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

I) Right-of-use assets
The Group and the Parent Company recognize right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.
The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group and the Parent Company are reasonably certain to obtain ownership of the leased asset at the end of the lease term, the Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:
- Buildings: 2 to 10 years.
- Other equipment: 1 to 2 years.
- Transportation means: 1 to 2 years.
- Vessels: 18 to 24 months.

The right-of-use assets are also subject to impairment.

II) Lease liabilities
At the commencement date of the lease, the Group and the Parent Company recognize lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Group and the Parent Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Those re-measurements are included in a separate line in the note Right of Use Assets "modifications/re-measurements".

III) Short-term leases and leases of low-value asset
The Group and the Parent Company apply the short-term lease recognition exemption to its short-term leases of (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group and the Parent Company also apply the lease of low-value assets recognition exemption to leases that are considered to be low value (those with value less than Euro 5 thousands). Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Intermediate Lessor.
The Group and the Parent Company enter into certain lease agreements with third parties and therefore act as intermediate lessors. The Group and the Parent Company, as intermediate lessors, classify the sublease as financial lease or operating lease as follows:
(a) if the head lease is a short-term lease that the Group or the Parent Company, as a lessee, has accounted for applying paragraph 6 of the standard, the sublease shall be classified as an operating lease.
(b) Otherwise, the sublease shall be classified by reference to the right-of- use asset arising from the head lease, rather than by reference to the underlying asset.

The Group and the Parent Company have evaluated all sublease contracts based on the above criteria and classified them as operational or financial. As at 31 December 2019, all leases where the Group and the Parent Company act as intermediate lessors were assessed and evaluated as operating.

Investments in subsidiaries.
In the separate financial statements, investments in subsidiaries are valued at cost less any impairment losses. The spin off and contribution of an activity from the Parent Company to a wholly owned subsidiary in exchange for shares, is accounted for as a transaction between companies under common control. In cases of such transactions the shares received are recognised as an addition to the cost of investment in the subsidiary with a value equivalent to the carrying value of the net assets contributed at the transaction date.

Investments in associates.
These are entities in which the Group has significant influence and which are neither a subsidiary nor a joint venture of the Group. The Group's investments in associates are accounted for under the equity method. Investments in associates are carried on the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate, less possible provisions for any impairment in value. In case that the Group's share in an associate's losses is equal, or exceeds its participation in the associate, the Group does not recognise the losses exceeding its participation.

The Statement of Income reflects separately the Group's share on the results of its associates, while amounts that are recorded by the associates directly to their equity are recognized directly to the Group's equity. Non – realised profit or loss resulting from the transactions of the Group with the said associates is eliminated to the extent of the interest in the associates. In the separate financial statements such investments are accounted for at cost less any accumulated impairment losses.

Impairment of non-financial assets.
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less cost to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. The fair value of sale (after the deduction of sales costs) is determined, in each case, according to the implementation of a revaluation model. Impairment losses of continuing operations are recognized to the Statement of Income, except if the particular asset is valued in fair values and then the impairment loss is recognised as a decrease of the already recognised surplus value. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognized.

That increased amount resulting from the reversal of the impairment loss, cannot exceed the carrying amount that would have been determined (net of depreciation), if no impairment loss had been recognized for the asset in prior years. Such reversal is recognized in profit and loss unless the asset is carried at fair value amounts in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, to be divided equally to future time spans on a systematic basis over its remaining useful life.

Fair value measurement.
The Group measures financial instruments such as derivatives, and fair value through other comprehensive income at each reporting date and non-financial assets such as property, periodically (every 3-5 years) at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
The Group determines policies and procedures applied for both recurring measurements and assets held for distribution or for sale.
Assets of substantial value, as property, plant and equipment, as well as substantial value liabilities are evaluated by the Group and the Parent Company with the assistance of external appraisers. External appraisers involvement needs, are annually decided by the Group. The selection criteria include market knowledge and expertise, reputation, independence and observance of professional standards.
On each reporting date, the Group, according to its accounting policies, assesses if there is any change on the carrying values of assets and liabilities being subject to periodic reassessment and revaluation. For the above mentioned assessment, the management verifies considerable inputs applied to the last asset or liability evaluation, confirming data used for the evaluation against contracts and other relevant documents. For disclosing fair values, the Group's assets and liabilities are categorized according to their nature, characteristics, potential risks stemming from specific asset or liability categories, as well as fair value hierarchy described above.

Investments and financial assets.
Financial assets that fall under and are governed by the provisions of IFRS 9 are classified on initial recognition as financial assets measured at amortized cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. The classification of financial assets at initial recognition depends on the contractual characteristics of cash flows of the financial asset and the Group's business model for the management of that financial asset.

With the exception of trade receivables and receivables from electricity customers that do not contain a significant financial component, the Group initially evaluates the financial assets at their fair value plus, in case of a financial asset that is not valued through profit or loss, transaction costs. Trade receivables that do not have a significant financial component and also receivables from electricity customers are valued at the transaction price determined in accordance with IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, the resulting cash flows should be «Solely for Payment of Principal and Interest (SPPI) «on the initial capital.

The Group's business model for managing financial assets refers to the way in which it manages its financial capabilities in order to generate cash flows. Business model determines whether cash flows arise from collection of contractual cash flows, sale of financial assets, or both.

Usual sales and purchases of financial assets are recognized on the transaction date (on which Group is committed to purchase the financial asset). Usual purchases or sales involve purchases or sales of financial assets that require physical receipt of items within the period and are also governed by a law or a purchase agreement.

Financial assets measured at amortized cost.
Non-depreciated cost of a financial asset is defined as the amount at which the financial asset is measured at initial recognition less the capital repayments plus or minus the cumulative depreciation using the effective interest method of any difference between that initial amount and the amortized cost adjusted for any loss provision.

A financial asset is measured at amortized cost only if both of the following are met unless it is measured at fair value through profit or loss on initial recognition:

i. The financial asset is held in a business model whose objective is to hold financial assets for the collection of contractual cash flows ("HTC") and,
ii. The contractual terms of the financial asset result in specific dates in cash flows that are only capital and interest payments on the outstanding initial capital.

Consequently, the Group classifies financial assets at amortized cost when financial assets are held in the context of a business model with a view to being held to maturity mostly concentrating their contractual cash flows, and these financial data lead to cash flows consisting only of capital and interest payments. Financial assets that do not meet the above conditions are classified as financial assets at fair value through profit or loss, with the exception of investments in equity instruments that are not held for trading and for which is selected to be measured at financial assets fair value through other comprehensive income on initial recognition.

The Group, after initial recognition, measures financial assets of this category at amortized cost using effective interest rate. These financial assets are subject to impairment in accordance with IFRS 9. Profit and loss are recognized in Statement of Income when the asset is derecognized, modified or impaired.

Financial assets measured at fair value through other comprehensive income (equity instruments).
Upon initial recognition, the Group may choose to irrevocably classify its equity investments as equity instruments which are measured at fair value through other comprehensive income when they comply with the definition of equity as stated in "IAS 32 Financial Instruments: Presentation" and are not held for sale, but it has been chosen for them to be retained with a long-term perspective to serve strategic choices. Classification is determined by financial instrument.

Profit and loss from these financial assets remain in equity and are not reclassified to Statement of Income after the recognition has ceased. Dividends are recognized as other income in the Statement of Income when payment right has been established, unless the Group benefits from such revenue by recovering part of the cost of the financial asset, in which case profit is recognized in Statement of Comprehensive Income. Equity instruments that are measured at fair value through other comprehensive income are not subject to impairment.

Financial assets measured at fair value through profit or loss.
A financial asset is measured at fair value through profit or loss, unless it is measured at amortized cost or at fair value through other comprehensive income.

Any financial asset whose contractual terms do not result in specific cash flow dates that are only capital and interest payments on the outstanding initial capital are classified by the Group at fair value through profit or loss (unless it is an investment in an equity instrument that is classified at fair value through other comprehensive income).

Since the option to determine a financial asset at fair value at its initial recognition is irrevocable, if a financial asset is designated as at fair value through profit or loss on initial recognition, the Group does not reclassify it as measured at amortized cost or fair value through other comprehensive income in case the business model changes.

Financial assets measured at fair value through profit or loss are transferred to the statement of financial position at their fair value, and changes in fair value between reporting dates are recorded in the Statement of Income. Financial assets measured at fair value through profit or loss are not subject to impairment.

Impairment of Financial Assets.
Group assesses at each reporting date whether the value of a financial asset or group of financial assets has been impaired in accordance with provisions of IFRS 9.

The Group has adopted the expected credit losses model for each of the abovementioned asset categories.
- Trade Receivables from the sale of electricity to customers.
- Trade Receivables from intercompany transactions.
- Other financial assets measured at amortized cost.
- Contract assets.

De-recognition of financial assets.
Financial receivables (or, where applicable a part of a financial receivable or part of a group of similar financial receivables) are derecognized when: (1) the rights to receive cash flows from the asset have expired, (2) The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and (3) The Group has transferred the right to receive cash from that asset while either: (a) has transferred substantially all the risks and rewards of the assets, or (b) has not transferred substantially all the risks and rewards but has transferred control of that asset. Where the Group has transferred the rights to receive cash inflows from that asset but has not transferred substantially all the risks and rewards or control of that asset, then the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount of consideration that the Group could be required to pay. Where continuing involvement takes the form of a written and/or purchase option (including a cash-settled option) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option on an asset measured at fair value, where the extent of the Parent Company's/Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

In the event that the evaluation refers to securitization transactions, the Company applying the aforementioned derecognition criteria, takes into account the structure of the transaction including its exposure to the subordinated bonds issued, allowances to the special purpose vehicles, as well as the terms and conditions of the securitization agreements, under which the Company could retain control over the securitized receivables.

Trade Receivables from the sale of electricity to customers.
The Group and the Parent Company apply the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the provision for impairment is always measured at the amount of the expected credit losses over the lifetime of trade receivables.

More specifically:
(i) Regarding the receivables of High Voltage (HV) customers from the sale of energy, the Group and the Parent Company (due to the individual characteristics of each client and its credit behavior) evaluate the expected credit loss from each customer individually.
(ii) Regarding the receivables from Medium Voltage (MV) and Low Voltage (LV) customers from the sale of energy, the Group and the Parent Company, considering these contracts as sharing similar characteristics, classified them into two distinct portfolios (Medium and Low Voltage). The Group and the Parent Company in order to estimate the expected credit losses, used credit loss provision tables based on the maturity of their balances, following the historical data of the Group and the Parent Company for credit losses and adjusting appropriately for future events and the economic environment.

In addition, the Group and the Parent Company consider that the non-collection of receivables constitutes a credit event as follows:
- For Low Voltage customers for more than 180 days.
- For Medium and High Voltage customers for more than 90 days.
- For state-owned entities and wider public sector companies for more than 365 days.

Customers' contributions.
Consumers or producers connected to the distribution network are required to participate in the initial cost of connecting to the network (meters, lines, substations, etc.) or other types of infrastructure by paying institutionally fixed amounts of money or by contributing property, plant and equipment (extremely rare cases). It is noted, that according to law, all the facilities that are constructed are under the exclusive ownership and possession of the Parent Company, while in the event that a customer leaves a facility and a new customer enters, then the new customer is not obliged to pay for a new contribution.

Customer's contributions refer to the initial and continuous connection to the distribution network which is a separate service from the sale of electricity. The promised service is the only one undertaken by HEDNO and this transaction is considered a separate contractual obligation. Therefore, revenue from customers' contributions is recognized during the transfer of the service to the customer. As the contract with the customer is not of a specific duration, income is recognized on the basis of the remaining useful life of distribution network's property, plant and equipment (35 years). Customers' contributions are classified as "Long – term contract liabilities»".

Payments in advance against electricity consumption paid by customers at the time of signing the electricity supply contract.
By signing the electricity supply contract, the customer is required to pay an advance - a guarantee against future electricity consumption. This amount is not refunded to the customer but is offset by the amount of the last clearing bill following the request for suspension of electricity supply to the customer. Considering that these amounts are settled in a period over 12 months, the Group and Parent Company classified them as "Long – term Contract Liabilities".

An advance payment of 3% or 5% on the value of the electricity provided through NOME-type auctions, which are paid by the participants in the NOME-type auctions to the Parent Company.
During the NOME-type auctions for forward products, which are conducted every three months and concern the Parent Company's forward sale of electricity on the wholesale market for a period of 12 months, the electricity suppliers pay in advance 3% or 5% of the value of electricity, awarded to them. These prepayments are classified as "Short – term contract liabilities" as they are settled in less than 12 months. Revenue is recognized on an equal basis per month according to the quantities delivered to alternative electricity suppliers.

Prepayments paid by customers against future consumption of electricity.
The Parent Company gives the opportunity to Medium & Low Voltage customers (for High Voltage customers this possibility is included in their contract) to pre-pay the annual electricity consumption against a discount on the price of electricity. The received amounts are classified as "Short – term Contract Liabilities" as they are settled within 12 months, whereas revenue recognition is based on the pricing of the consumed or estimated Electricity.

Other financial assets measured at amortized cost.
For the other financial assets of the Group and the Parent Company, measured at amortized cost, the general approach is used. These financial assets are considered as having low credit risk and any provision for loss is limited to the expected credit losses of the next 12 months from the respective reporting date.

Inventories.
Inventories include materials and consumables, spare parts, lignite and liquid fuel. Provision for slow moving or obsolete materials and consumables is established if necessary.

- Materials and consumables
  Materials and consumables are stated at the lower of cost or net realizable value, which takes under consideration the net realizable value of the finished product in which they are incorporated. The cost is determined using the weighted average method. These materials are recorded in inventory when purchased and then are expensed or capitalized upon use.
- Lignite (self-produced and purchased)
  The cost of lignite inventories which have been excavated/purchased but not yet consumed at the balance sheet date is stated at the balance sheet. Lignite inventories are stated at the lower of production cost/purchase cost and net realizable value, which takes under consideration the net realizable value of the finished product in which they are incorporated with the cost being determined by using the weighted average production/purchase cost method. Production/purchase cost mainly consists of expenses incurred in order for lignite inventories to be used for electricity generation.
- Liquid fuel
  Liquid fuel is stated at the lower of cost and net realisable value which takes under consideration the net realisable value of the finished product in which it is incorporated. The cost of liquid fuel reflects purchase price plus any taxes (excluding VAT), levies and any other type of expense for the fuel to be stored in the Group warehouses and determined using the weighted average method. Liquid fuels are expensed on consumption and appear separately in the Statement of Income.

Cash and cash equivalents.
The Group considers time deposits and other highly liquid investments with original maturity of three months or less, to be cash equivalents.

Share capital.
Share capital reflects the value of the Parent Company's shares that are fully issued and in circulation. Any proceeds in excess of par value are recorded in share premium in equity. Expenses related directly to new shares issuance are recognized directly to Equity net of proceeds.

De-recognition of financial liabilities.
Financial liabilities are derecognized when the obligation under the liability is discontinued, cancelled or expires. In the event that an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement.

Offsetting of financial assets and liabilities.
Financial assets and liabilities are offset and the net amount is presented in the balance sheet only when the Group has the legally enforceable right to set off the recognized amounts and intends to either settle such asset and liability on a net basis or claim the asset and settle the liability at the same time.

Interest bearing loans and borrowings.
All loans and borrowings are initially recognized at cost, which reflects the fair value of the amount received less the cost of borrowing. After initial recognition, they are subsequently measured at amortized cost using the effective interest rate method. For the calculation of amortized cost, all types of borrowing and issue costs are taken into account.

Provisions for Risks and Expenses, Contingent Liabilities and Contingent Claims.
Provisions are recognised when the Group has present legal, contractual or constructive obligations as a result of past events and it is probable that they will be cleared through outflows of resources and the estimate of the exact amount of the liability can be reliably made. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expense expected to be required to settle the liability. Contingent liabilities are not recognised in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is minimal. Contingent claims are not recognised in the financial statements but are disclosed when the inflow of economic benefits is probable.

Post-retirement benefits.
a) The Parent Company provides to employees and pensioners of the Group electricity at a reduced tariff. The reduced invoice to pensioners is recognized as a liability and is calculated as the present value of future retirement benefits deemed accrued by the end of the year on the basis of the rights of employees accumulated during their service and are calculated on the basis of economic and actuarial models on the basis of economic and actuarial assumptions.
b) PPC and its subsidiaries will pay, in accordance with Law 4533/2018 (OG A' 7527/4/2018), a severance payment, which may not exceed €15 (15.000 Euro) to insured persons who leave due to termination of the employment contract, or because the insured employees reached the age limit or due to another reason for leaving, according to the provisions of the law.

Net expense for the period is included in payroll cost in the Statement of Income and consists of the present value of the benefits earned in the year. The post-retirement benefit liability is not funded. Actuarial gains or losses are directly recognized in other comprehensive income.

Subsidies for property, plant and equipment.
The Group receives grants from the Greek State and the European Union (through the public investment program of the Greek State) in order to finance specific projects that are executed within certain time periods. Subsidies are accounted for when they are collected and are shown in the balance sheet as deferred income. Amortization is recognized based on the remaining useful life of the related assets and is included in depreciation in the Statement of Income.

Derivative financial instruments and hedging.
Derivative financial instruments are recognised as assets or liabilities and measured at fair value, regardless of their purpose. Changes in this value are recognised in the income statement, unless the instruments are used for hedge accounting purposes. In such cases, recognition of changes in the fair value depends on the type of hedging transaction. The costs related with the transactions of derivatives are recognized in the income statement of the Group and the Parent Company, when occurred

For the purpose of hedge accounting, hedges are classified either as fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability.

Hedge accounting is applied to derivatives in order to reflect into the financial statements of the Group and the Parent Company the effect of risk management strategies. Accordingly, at the inception of the transaction the Group and the Parent Company document the hedge relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy. The Group and the Parent Company also assess, both at hedge inception and on an ongoing basis, whether hedging instruments are highly effective in offsetting changes in the fair values or cash flows of hedged items.

On the basis of management's judgement, the effectiveness assessment based on the existence of an economic relationship between the hedging instruments and the hedged items, the dominance of credit risk in the value changes and the hedge ratio, as well as the measurement of the ineffectiveness, is evaluated through a qualitative assessment or a quantitative computation, depending on the specific facts and circumstances and on the characteristics of the hedged items and the hedging instruments.

For fair value hedges that meet all the qualifying criteria for hedge accounting, any change in the fair value of a hedging instrument is recognised in the statement of profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of income.

For cash flow hedges, the effective portion of the profit or loss on the hedging instrument is recognised in Other Comprehensive Income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of income.

For cash flow hedges of forecasted transactions designated as hedged items, management assesses and documents that they are highly probable and present an exposure to changes in cash flows that affect profit or loss.

The Group and the Parent Company discontinue hedge accounting prospectively only when the hedging relationship ceases to meet the qualifying criteria after taking into account any rebalancing of the hedging relationship, if applicable (changes to the designated quantities of hedged item, changes to the designated quantities of hedged instrument). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The cumulative gains or losses previously recognized in equity in Reserves for cash flow hedge are reclassified to profit and loss in the same period when the hedged item affects the profit or loss. A hedging relationship that still meets the risk management objective and continues to meet all other qualifying criteria, after taking into account any rebalancing, cannot be discontinued.

Derivatives are classified as assets or liabilities. The total fair value of a derivative designated as a hedging instrument is classified as a non-current asset or long-term liability if the remaining period until the maturity of the hedged item is greater than 12 months and as a current asset or a current liability if the remaining period until the maturity of the hedged item is less than 12 months.

The Group and the Parent Company use derivatives to hedge risks related to changes in the interest rates, foreign exchange rates, fuel prices and energy purchases prices. The fair value of derivative financial instruments is measured using prices on active markets for Exchange-traded products, or applying valuation techniques. As of December 31st 2020, the Group and the Parent Company had entered into derivative financial contracts, for the cash flow hedge of changes in the price of energy purchases and natural gas.

Income taxes (current and deferred).

<u>Current Income Taxes</u>
Current income tax expense consists of income taxes for the current year based on the Parent Company's profits and the profits of the other companies of the Group as adjusted in their tax returns and, provisions for additional income taxes and increments arising from unaudited tax years, and is calculated by using the enacted or substantively enacted tax rates at the balance sheet date.

<u>Deferred Income Taxes</u>
Deferred income tax is calculated, using the liability method, on all temporary differences at the balance sheet date between the tax base and the book value of assets and liabilities. Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from initial recognition of goodwill or of an asset or of a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are recognized for all deductible temporary differences carried forward as well as unused tax credits and unused tax losses, to the extent that it is possible that taxable profit will be available against the deductible temporary differences and the carried forward of unused tax credits and unused tax losses can be utilized. No deferred income tax asset relating to the deductible temporary differences is recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are reassessed at each balance sheet date and are reduced at the time where it is not considered possible that enough taxable profits will appear against which, a part or the total of assets can be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to be in force in the year when the asset is recovered or the liability is settled, based on tax rates (and tax laws) that are in force or substantively enacted at the balance sheet date.

Income tax relating to items recognized directly in other comprehensive income is recorded in other comprehensive income and not in the Statement of Income.

Defined contribution plans.
The Parent Company and the Group recognize as an expense the contribution for the employees' services payable to EFKA (Greek Single Social Security Institution) (ex IKA – ETAM/TAP DEH, ETEA, TAYTEKO) (defined contribution plans) and as a liability the amount that has not been paid yet.

Revenue recognition.

<u>Revenue from the sale of electricity to customers</u>
The Group and the Parent Company are active in the supply of electricity to high, medium and low voltage customers through the Operations electricity Supply Sector and in the provision of electricity distribution services. Given the particular characteristics of electricity, the Group and the Parent Company consider that when their customers buy electricity simultaneously receive and use the benefits on an ongoing basis resulting from the sale of electricity as the Parent Company fulfills its contractual obligations. For this reason, revenue recognition (as long as the collection of the total amounts is considered probable) is based on metering data or on estimation of electricity consumed.

The Group and the Parent Company also assess whether they have the role of principal or representative in any relevant agreement. The Group's and the Parent Company's assessment is that they have the role of principal in all of its sales transactions.

If the price agreed under the contract also includes a variable portion, this amount is recognized as revenue to the extent that it is unlikely to be reversed in the future.

Contract Assets.
At each reporting date and taking into account that the invoicing based on the measurement data of the last month of the period is issued during the first days of the following month, as far as High and Medium Voltage customers are concerned, the total value of electricity provided that month is recognized as accrued revenue for the period, and is reversed in the following month, after billing has already been recorded in books. These accruals at the end of each reporting period are classified as "Contract Assets".

Additionally, at each reporting date, the Parent Company estimates the value of the energy consumed but not yet billed from Low Voltage customers, since it has developed an estimation method especially for doing so. The estimated values are recorded as income receivable for periods ending on the reporting date and are reversed during the following month. Those accruals are also classified as "Contract Assets" at the end of each reporting period.

Contract Liabilities.
If the customer pays a fee, or the Group reserves an unconditional right to a sum of money, before the Group transfers the goods or services to the customer, it classified the contract as a contract liability to the customer, either when the payment is made or when it becomes chargeable (whichever comes first).

For the Group and the Parent Company, contract liabilities come mainly from:
- Customers' contibutions.
- Payments in advance against electricity consumption paid by customers at the time of signing the electricity supply contract.
- An advance payment of 3% or 5% on the value of the electricity provided through NOME-type auctions, which are paid by the participants in the NOME-type auctions to the Parent Company.
- Prepayments paid by customers against future consumption of electricity.

Revenue from NOME quantities.
Revenue from forward products (NOME) is recognized at the time of delivery of those forward products' quantities. The difference from the quantities of electricity delivered by the Company for fulfilling its liability in forward products (NOME) is recognized at the time of delivery and not before that (for the total time of each auction), because this difference cannot be measured reliably before delivery time.

The Parent Company considers the "NOME mechanism" as an onerous contract, in accordance with IAS 37, but as the unavoidable costs of fulfilling its commitments by this mechanism cannot be determined reliably, no relevant provision has been recognized on the financial statements.

Interest income.
Interest income is recognized on an accrual basis.

Dividend income.
Dividend income is recognized when it has been approved by the relevant authority of the company that distributes it.

Income from rentals.
Leases, where the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases and the rentals are recognized as revenue in the statement of income on a straight line basis over the lease term.

Electricity.
Electricity costs are expensed as purchased and presented separately in the Statement of Income.

Earnings/(Losses) per share.
The basic and diluted earnings per share are calculated by dividing net profit with the weighted average number of shares issued during the relevant year. The weighted average number of shares is derived by adding the existing shares, in which the share capital is divided, with the rights that the Parent Company owns and potentially could exercise.

Subsequent events.
Subsequent events that provide additional information about events or circumstances that existed at the balance sheet date and meet their recognition criteria, are reflected in the financial statements. Otherwise, they are disclosed in the notes of the financial statements.

Non-current Assets Held for Sale and Discontinued Operations.
The Group classifies a non-current asset (or a group of assets and liabilities) as held for sale, if its carrying amount will be recovered principally through a sale transaction and not through its use. In sale transactions, all exchanges of non – current assets for other non – current assets are included, if the transaction has a commercial substance.

The basic requirements for a non-current asset (or a group of assets and liabilities) to be classified as held for sale are that the asset or the group must be available for immediate sale in its present condition while the completion of the sale must depend only on conditions that are usual and customary for sales of such assets/groups and its sale must be highly probable and within the next 12 month from their classification.

Immediately, before the original classification of an asset or the group of assets and liabilities as held for sale , the asset or the group of assets and liabilities are evaluated according to the adopted IFRS's at the date of classification. Non - current assets (or a group of assets and liabilities) classified as held for sale are measured (after the initial classification as above) at the lower of its carrying amount and fair value less the expenses to sell and any possible resulting impairment losses will be recognized in the Statement of Income. Any subsequent increase in fair value will be recognized in the Statement of Income, but not in excess of the cumulative impairment loss which was previously recognized.

No depreciation or amortization is recognized on a non-current asset (or non-current assets that are included in a group of assets and liabilities) from the date that is classified as held for sale.

When the Group and the Parent Company have classified a non-current asset (or a group of assets and liabilities) as held for sale, while the classification criteria are no longer met, the Group and the Parent Company will cease to classify the non-current asset (or a group of assets and liabilities) as Held for sale. The Group and the Parent Company will measure the non-current asset (or a group of assets and liabilities) that cease to be classified a held for sale at the lower of:
a) its carrying amount before the asset (or disposal group) was classified as held for sale or for distribution, adjusted for any depreciation, amortization or revaluations that would have been recognized had the asset (or disposal group) not been so classified; and
b) its recoverable amount at the date of the subsequent decision not to sell.

The Group and the Parent Company will include any required adjustment of the carrying amount of a non-current asset that ceases to be classified as held for sale to the income statement in the income from continuing operations from the point of time when the classification criteria cease to be met.

Operating Segment.
According to L. 4001/2011 the Group, as a vertically integrated undertaking, is obliged to prepare and integrate in its financial statements, accounting unbundled financial statements for each segment. These include the Parent Company's activities in the Sectors of Mines, Generation, Distribution and Supply and are compatible with the information provided to the Executive Committee, which consists of the Chairman of the Board of Directors and CEO, the Deputy CEOs and the General Managers.

The Executive Committee monitors internal financial reports to evaluate the performance of the Company and the Group and to make decisions on the allocation of the Group's resources and on Group's strategic movements.

As a result, information disclosures by operational segment as well as the principles of segment as presented in IFRS 8 "Operating Segment" are stated in Appendix I and pertain only to Company's continuing operations. The Group's activities, which do not meet the criteria and quantitative limits of IFRS 8 to be a distinct operating segment, are combined and presented under the description "Other Group's Companies".

5. Discontinued Operations (Distribution Network)

On December 15th 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 to HEDNO, and thus proceeded to an Invitation announcement in its website, according to which investors should express their interest until January 29th, 2021, which date was extended to February 19th, 2021.

On February 19th 2021, the first phase of the Tender process for the acquisition of the 49% of HEDNO's share capital was completed. On April 6th 2021, the Parent Company completed the process of reviewing the submitted expressions of interest and expects to invite the nine parties selected, to participate in the second phase of the process. In the second phase, the qualified parties will conduct a due diligence and will be asked to submit binding financial offers for the acquisition of the 49% of the share capital of HEDNO.

For the completion of this transanction, a spin-off of PPC's Distribution network branch and contribution to its 100% subsidiary HEDNO will take place, for an exchange of new shares pursuant to Law 1297/1972 on Provisions of tax incentive for business on merge and alteration, to corporate Law 4548/2018 of societe anonymes and to Law 4601/2019 on Corporate Restructure.

Following the spin-off process, HEDNO's share capital will be increased by the book value of PPC's contributed net assets and HEDNO will proceed with the issuance of new shares, that will be granted to PPC. Consequently, a transfer will follow to the preferred investor of the 49% minority stake of PPC's shareholding to HEDNO. This transfer will not affect PPC's control over its subsidiary according to relevant provisions of IFRS 10.

We should mention that Management has determined that the spin-off of the Distribution Network and its contribution to HEDNO will only take place pursuant to the approval by the competent corporate Bodies of the sale transaction to the preferred investors of the 49% of HEDNO's shares.

Based on the above, Group and Parent Company's Management has classified on December 31st, 2020 the Assets and Liabilities of the Distrubution Network branch as assets Held for Sale (Discontinued Operations) only to its separate financial statements, as on Group level the value of the distributed net Assets and the net assets of the 100% subsidiary HEDNO, is expected to be recovered through their continuing use by the Group rather than through the sale transaction proceeds of the 49% on HEDNO's shareholding.

Pursuant to IFRS 5 para 15, and before the classification of the contributed net assets of the Distribution Network as Held for Sale on December 31st, 2020, an impairment assesment was carried out, in order to be measured at the lower of their carrying amount and their recoverable amount, which is the fair value less costs to sell.

The valuation was carried out by an independent valuator using the discounted cash flow method. The above valuation was conducted on December 31st, 2020 and concluded that the carrying values of net assets were lower than the their recoverable amount and therefore no adjustment was made.

Furthermore, due to the classification of the assets and lliabilities of the Distribution Network as Assets held for sale, the contributed assets and liabtities are presented in the separate statement of the financial position in the current assets and liabilities as "Assets and Liabitiles Held for Sale" and in the separate Income Statement as of December 31st, 2020 and 2019 as results from "Discontinued Operations" as the criteria of IFRS 5 are met.

Below we present a table of total assets and liabilities Held for Sale of the Parent Company as of December 31st, 2020:

PARENT COMPANY	NOTE	BRANCH OF DISTRIBUTION NETWORK
Assets		
Non- Current Assets		
Property, plant and equipment, net	15	4,562,397
Intangible assets, net		
		4,562,397
Current Assets		
Trade Receivable	39	992
		992
Total Assets		**4,563,389**
Non - Current Liabilities:		
Long - term borrowings	30	1,375,365
Deferred tax liabilities	14	587,550
Contract liabilities	34	1,823,290
Subsidies of Property, plant and equipment	33	37,045
		3,823,250
Current Liabilities:		
Trade and other payables	**36**	**1,943**
Current portion of long - term borrowings	39	(33,717)
Current Liabilities:	30	149,697
		117,923
Total Liabilities		**3,941,173**
Net Assets		**622,216**

In the separate financial statements of the Parent Company, the trade receivables and trade and other payables with the subsidiary HEDNO S.A. are presented net (after netting).

Cash flow on assets Held for Sale is stated in the following table:

	01.01.2020-31.12.2020
Profit before tax from discontinued operations	(83,972)
Cash flow from operational activities	199,630
Cash flow from expenditure acitivities	(101,240)
Cash flow from financing activities	(24,976)
Total	**(10,558)**

6. Revenues

The revenues for the year 2020 and 2019 are presented in the following tables:

	GROUP		COMPANY	
	01.01.2020-31.12.2020	01.01.2019-31.12.2019	01.01.2020-31.12.2020	01.01.2019-31.12.2019
Revenues to Consumers:				
— High voltage	361,826	416,066	338,257	400,836
— Medium voltage	472,857	552,128	475,204	554,519
— Low voltage	3,096,762	3,306,746	3,096,901	3,306,746
— Renewable Energy Sources	15,882	13,713	—	—
— Revenues from natural gas sales	472	—	472	—
	3,947,799	**4,288,653**	**3,910,834**	**4,262,101**
Other Revenues:				
— Customers' contributions	88,520	86,815	248	248
— Public Service Obligations	150,661	138,209	150,860	138,393
— Distribution Network Revenues	215,578	167,617	—	—
— Income from electricity sales from NII thermal units	192,760	193,416	192,760	193,416
— Other	54,126	56,899	45,481	48,960
	701,645	**642,956**	**389,349**	**381,017**
Total Continuing Operations	**4,649,444**	**4,931,609**	**4,300,183**	**4,643,118**
Discontinued Operations	—	—	95,646	93,199
Total	**4,649,444**	**4,931,609**	**4,395,829**	**4,736,317**

The analysis of Group's revenues by geographical region for the years 2020 and 2019 is presented in the following tables:

	Greece		Abroad	Total
	2020			
	Interconnected system	Non-interconnected islands		
Energy sales	3,480,989	439,245	27,094	**3,947,328**
Income from natural gas sales	472	—	—	**472**
Public Service Obligations	—	150,661	—	**150,661**
Customers' Contributions	75,105	13,414	—	**88,519**
Income from the sale of electrictiy from NII thermal units	—	192,760	—	**192,760**
Distribution Network Revenues	196,157	19,421	—	**215,578**
Other	46,749	7,377	—	**54,126**
Grand total	**3,799,472**	**822,878**	**27,094**	**4,649,444**

	Greece		Abroad	Total
	2019			
	Interconnected system	Non-interconnected islands		
Energy sales	3,768,758	498,016	21,879	**4,288,653**
Public Service Obligations	—	138,209	—	**138,209**
Customers' contributions	74,677	12,138	—	**86,815**
Income from the sale of electricity from NII thermal units	—	193,416	—	**193,416**
Distribution Network Revenues	151,717	15,900	—	**167,617**
Other	50,184	6,715	—	**56,899**
Grand Total	**4,045,336**	**864,394**	**21,879**	**4,931,609**

7. Payroll Cost

	GROUP		COMPANY	
	2020	2019	2020	2019
Payroll cost	581,569	639,249	317,013	354,983
Employer social contributions	153,278	177,707	86,455	101,842
Provision for personnel's severance payment (note 31)	35,830	–	22,576	–
Provision for supply of electricity at reduced tariffs (note 31)	(2,539)	(243,415)	(1,713)	(148,058)
Capitalized payroll cost	(54,529)	(61,238)	(13,057)	(16,622)
Total	**713,609**	**512,303**	**411,274**	**292,145**

8. Energy Purchases and Related Fees

	Group		Company	
	2020	2019	2020	2019
DAS & deviations' Settlement	622,169	990,408	712,249	1,207,264
Energy imports from abroad	79,495	74,660	120,260	123,883
Other domestic energy purchases	91,227	113,431	105,738	126,285
Transitional flexibility Compensation Mechanism	1,895	7,357	1,862	7,340
Purchase rights	9,189	21,152	9,359	22,481
Net charge to ensure sufficient capacity	(20,932)	(9,845)	(7,731)	(9,002)
Charge of electricity suppliers for RES account (Note 3)	72,863	–	72,863	–
Suppliers' charge for Special RES and SYTHYA account (note2)	–	(99,331)	–	(99,301)
Arrangement of losses	45,857	38,497	45,767	38,449
Weighted variable cost of thermal units	104,316	74,080	104,154	73,975
Net charge for ancillary services	17,867	36,999	20,341	37,866
(Gain)/Loss from the sale of NOME-type auctions	(11,510)	156,047	(11,510)	156,047
Other purchases	105,427	82,912	41,978	13,128
Total	**1,117,863**	**1,486,367**	**1,215,330**	**1,698,415**

9. Depreciation and Amortisation

	Group		Company	
	2020	2019	2020	2019
Depreciation/Amortisation				
– Property, plant and equipment (Note 15)	735,817	644,107	415,548	416,135
– Intangible assets (Note 16)	5,224	7,136	3,434	4,795
– Right-of-use assets (Note 42)	21,861	22,624	15,385	16,999
– Transfer from subsidies (Note 33)	(18,857)	(12,106)	(12,443)	(8,925)
Total Continuing Operations	**744,045**	**661,761**	**421,924**	**429,004**
Discontinued Operations				
– Property, plant and equipment (Note 15)	–	–	259,734	210,506
– Transfer from subsidies (Note 33)	–	–	(2,098)	(2,985)
Total Discontinued Operations	**–**	**–**	**257,636**	**207,521**
Total	**744,045**	**661,761**	**679,560**	**636,525**

10. Emission Allowances (CO_2)

According to the current European and National legislation, during the 3rd implementation phase of the EU-ETS (period 2013-2020), Group is not entitled to free allocation of emission allowances for its bound stations, with the exception of allowances allocated for emissions corresponding to the generation of thermal power for district heating.

On March 31st, 2020, the verification of the CO_2 emission allowances for the year 2019 was completed by accredited third party verifiers for all thirty bound plants of PPC Group and the relevant certificates were submitted on time to the Competent Authorites in accordance with the current legislation. The total CO_2 emission allowances for the year 2019 amounted to 23.09 Mt., including the installations of subsidiaries.

During 2019, PPC has been allocated with about 43 thousands emission allowances corresponding to the generation of thermal power for district heating.

Based on provisional ex-post data for the fourth quarter of 2020, the total CO_2 emissions allowances of all bound plants of the Group for the period 01.01.2020 – 31.12.2020 amount to 15.47 Mt. It should be noted that the CO_2 emissions of 2020 will be considered final by the end of March 2021, time in which the annual emissions reports by accredited third party verifiers will be completed.

Emission allowances (CO_2) are presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Cover of emissions from purchased EUAS	393,464	546,446	327,839	411,869
Cover of prior year deficit	–	–	–	–
Managing expenses	22	16	22	16
Total	**393,486**	**546,462**	**327,861**	**411,885**

11. Financial Expenses

	Group		Company	
	2020	2019	2020	2019
Interest Expenses	134,395	136,795	99,986	100,944
Bank charges	3,631	1,811	1,535	1,362
Amortization of loans' issuance costs	3,212	3,490	3,212	3,490
Finance cost on right-of-use assets (Note 42)	2,888	3,115	1,827	2,172
Commissions on letter of guarantee	25,207	24,715	6,438	7,013
Financial costs for the provision of decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration (Note 32)	26,648	808	26,606	802
Securitization interest expenses and other costs (Note 3)	2,252	–	2,252	–
Total Continuing Operations	**198,233**	**170,734**	**141,856**	**115,783**
Discontinued Operations	–	–	52,755	52,929
Total	**198,233**	**170,734**	**194,611**	**168,712**

12. Financial Income

	Group		Company	
	2020	2019	2020	2019
Interest from outstanding energy bills	52,042	68,223	52,042	68,223
Interest on bank and time deposits (Note 25)	2,724	2,386	1,407	799
Subsidiaries' dividends	–	–	23,277	1,020
DEPA interests	3,875	–	3,875	–
Other	1,467	2,542	1,223	2,417
Total	**60,108**	**73,151**	**81,824**	**72,459**

13. Other (Income)/Expense, Net

	Group		Company	
	2020	2019	2020	2019
OTHER EXPENSES				
Transportation and travel expenses	14,418	16,970	5,745	6,876
Taxes and duties	26,549	38,789	19,553	24,981
Losses on dismantling of property, plant and equipment	4,010	11,908	879	7,065
Consumables	12,013	8,310	5,574	5,203
Expenses from PSOs of the year 2017	–	72,140	–	72,140
Additional costs from settlements with third parties	17,909	–	17,909	–
Other Expenses	72,819	64,663	57,572	53,544
Total	**147,718**	**212,780**	**107,232**	**169,809**
OTHER INCOME				
Penalties to suppliers/contractors	(1,737)	(6,902)	(254)	(2,137)
Subsidies to expenses	(1,069)	(281)	(1,069)	(281)
Income from leases	(1,376)	(1,413)	(1,387)	(1,437)
Income from PSOs (Note 2)	(5,651)	–	(5,651)	–
Income from ETMEAR	(8,162)	(36,931)	(8,162)	(36,931)
Other ancillary income (Note 3)	(44,773)	–	(44,773)	–
Other income	(37,631)	(60,829)	(15,710)	(68,720)
Total	**(100,399)**	**(106,356)**	**(77,006)**	**(109,506)**
Total expense	**47,319**	**106,424**	**30,226**	**60,303**
Discontinued Operations	–	–	(6,838)	(4,302)
Total	**47,319**	**106,424**	**23,388**	**(56,001)**

Ernst & Young's fees for the Group amount to Euro 1.4 mil., of which €240 thousand relates to permitted non-audit services whose compliance (in accordance with Regulation (EU) 537/2014) was confirmed by the Audit Committee during the fiscal year 2020.

14. Income Taxes (Current and Deferred)

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Current income taxes	9,580	9,082	–	–
Deferred income tax	22,182	(381,315)	14,201	(317,481)
Total income tax- Continued Operations	**31,762**	**(372,233)**	**14,201**	**(317,481)**
Discontinued Operations	–	–	10,306	(43,089)
Total income tax	**31,762**	**(372,233)**	**24,507**	**(360,570)**

According to the current Income Tax Code (L.4172/2013), as amended by the Law 4646/2019, the income tax rate for the legal entities residing in Greece for the income of the fiscal year 2019 and onwards is set at 24%. The income tax prepayment remains at 100%.

The income tax declarations, for the companies based in Greece, is submitted on an annual basis but the declared profits or losses remain temporary until the tax authorities audit the declarations and the books and records of the Company and the final tax audit report is issued. A corresponding obligation exists for foreign subsidiaries in accordance with local provisions. The Group forms a provision when deemed necessary, on a case by case basis and by company, against possible additional taxes that may be imposed by the tax authorities.

Based on the applicable Income Tax Code, from the fiscal year 2011 and onwards, the Statutory Auditors issue an "Annual Tax Compliance Report" after conducting a tax audit at the same time with the financial audit. 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".
As from January 1st, 2016 and onwards, pursuant to Law 4410/2016, the issuance of the tax certificate became optional, however, the Parent Company continues to apply the procedure for its issuance by the Statutory Auditors for the Greek subsidiaries.

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	2015
PPC Renewables S.A.	Greece	2015
HEDNO S.A.	Greece	2015
Arkadikos Ilios 1 S.A.	Greece	2015
Arkadikos Ilios 2 S.A.	Greece	2015
Iliako Velos 1 S.A.	Greece	2015
Amalthia Energiaki S.A.	Greece	2015
SOLARLAB S.A.	Greece	2015
Iliaka Parka Ditikis Makedonias 1 S.A.	Greece	2015
Iliaka Parka Ditikis Makedonias 2 S.A.	Greece	2015
PPC FINANCE PLC	United Kingdom	2009
PPC BULGARIA JSCo	Bulgaria	2014
PPC Elektrik Tedarik ve Ticaret A.S.	Turkey	2014
PPC ALBANIA	Albania	2017
PHOIBE ENERGIAKH S.A.	Greece	2015
Geothermikos Stochos SOLE SHAREHOLDER S.A.	Greece	2017
Geotherminkos Stochos 2 SOLE SHAREHOLDER S.A.	Greece	2020
WINDARROW MOUZAKI ENERGY 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	2018
LIGNITIKI MEGALOPOLIS S.A.	Greece	2018

For the unaudited tax years the Group establishes a provision on the basis of the findings of prior tax audits.

An analysis and numerical reconciliation between the tax expense and the result of multiplying the accounting profit by the nominal applicable tax rate is set out below:

	Group		Company	
	2020	2019	2020	2019
(Loss)/Gain before tax	**66,966**	**(2,057,903)**	**67,483**	**(2,323,677)**
Nominal tax rate	24%	24%	24%	24%
Income tax calculated at nominal tax rate	16,072	(493,897)	16,196	(557,682)
Non-deductible expenses	740	594	740	594
Subsidiaries' dividends	–	–	(5,587)	–
Effect of change in tax rates	–	44,180	–	28,331
Items for which no deferred tax has been recognized-Lignite Companies	–	76,890	–	168,187
Other	14,950	–	13,158	–
Income tax	**31,762**	**(372,233)**	**24,507**	**(360,570)**

The movement of the deferred income tax account is as follows:

	Group		Company	
	2020	2019	2020	2019
Balance, January 1st	**226,623**	**135,746**	**197,867**	**97,314**
Transfers to Liabilities Held for Sale	–	–	587,550	–
(Debit)/Credit in income statement	(22,182)	381,315	(24,507)	360,570
Other	508	(34,021)	–	–
(Debit)/Credit directly in other comprehensive income	(2,276)	(256,417)	145	(260,017)
Balance, December 31st	**202,673**	**226,623**	**761,055**	**197,867**

Deferred income tax receivables and liabilities are disclosed in the accompanying balance sheets as follows

	Group		Company	
	2020	2019	2020	2019
Deferred income tax				
– Receivables	1,237,465	1,232,538	1,101,326	1,097,996
– Liabilities	(1,034,792)	(1,005,915)	(340,271)	(900,129)
Total	**202,673**	**226,623**	**761,055**	**197,867**

	Group		Company	
	2020	2019	2020	2019
Deferred tax receivables				
– Inventories	69,617	52,547	65,325	48,644
– Trade receivables	347,444	347,508	323,268	322,952
– Provision for risks and expenses	115,269	122,628	73,464	81,115
– Subsidies	21,568	23,967	21,230	23,967
– Customers' contributions	167,670	162,193	168,009	162,193
– Property, plant and equipment	28,462	18,359	23,411	18,359
– Financial Assets measured at fair value through comprehensive income	3,327	3,271	3,327	3,271
– Subsidiaries and Associates	75,650	44,614	75,650	44,614
– Post retirement benefits	90,762	115,997	31,049	51,428
– Other	45,257	39,387	43,993	39,387
– Provision of Decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration	91,260	80,437	91,422	80,437
– Sundry provisions	5,199	10,968	5,198	10,967
– Tax losses	175,980	210,662	175,980	210,662
Deferred tax receivables	**1,237,465**	**1,232,538**	**1,101,326**	**1,097,996**
Deferred tax liabilities				
– Long-term loans' issuance fees and expenses	(18,929)	(22,204)	(18,929)	(22,204)
– Depreciation and revaluation of property, plant and equipment	(1,010,695)	(979,378)	(905,169)	(875,038)
– Foreign currency gains	(56)	(55)	(56)	(56)
– Derivative financial instruments	(1,153)	–	(1,153)	–
– IFRS 16 Right-of-use assets	(3,959)	(4,278)	(2,513)	(2,831)
– Transfer to Liabilities Held for Sale	–	–	587,549	–
Deferred tax liabilities	**(1,034,792)**	**(1,005,915)**	**(340,271)**	**(900,129)**
Deferred Tax receivables net	**202,673**	**226,623**	**761,055**	**197,867**

The movement of deferred taxes in the statement of income is analyzed as follows:

	Group		Company	
	2020	2019	2020	2019
— Inventories	17,071	12,263	16,681	11,372
— Trade receivables	(64)	(310,837)	316	(309,785)
— Provision for risks and accruals	(7,358)	10,473	(7,651)	10,458
— Subsidies & Customer Contributions	3,078	(201,600)	3,078	(195,296)
— Property, plant and equipment	5,051	(62,228)	5,051	(58,093)
— IFRS 16 Right-of-use assets	319	(4,278)	319	(2,832)
— Long-term loans' issuance fees and expenses	3,275	3,230	3,274	3,230
— Subsidiaries and associates	31,036	60,967	31,036	60,967
— Depreciation - Revaluation of property, plant and equipment	(31,619)	696,883	(37,945)	731,024
— Foreign exchange (gains)	—	3	—	3
— Financial assets measured at fair value through comprehensive income	56	3,708	56	3,708
— Tax losses	(34,682)	210,461	(34,682)	210,662
— Post retirement benefits	(19,253)	20,271	(13,701)	(39,946)
— Other	5,854	51,631	4,607	44,730
— Provision of Decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land Restoration	10,823	47,587	10,823	47,587
— Sundry provisions	(5,769)	10,968	(5,769)	10,968
— Held for sale assets	—	(168,187)	—	(168,187)
(Debit)/Credit in income statement	**(22,182)**	**381,315**	**(24,507)**	**360,570**

Deferred income tax charged in the statement of comprehensive income is attributable to the following items:

	Group		Company	
	2020	2019	2020	2019
— Actuarial gains/(losses)	(9,733)	13,596	(6,678)	9,244
— Provision of Decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities	(780)	30,711	(780)	30,711
— Derivative financial instruments	(1,153)	-	(1,153)	-
— Revaluation/impairments of property, plant and equipment	9,390	(300,724)	8,756	(299,972)
Credit in the statement of comprehensive income	**(2,276)**	**(256,417)**	**145**	**(260,017)**

15. Property, Plant and Equipment, Net

GROUP	Land	Mines	Lakes	Buildings and Technical Works	Machinery & Equipment	Transportation Assets	Fixtures and Furniture	Construction in progress	Total
Net book value									
December 31, 2018	**414,098**	**298,015**	**22,997**	**1,636,063**	**6,662,794**	**32,021**	**55,075**	**1,909,668**	**11,030,731**
– Impairments of mines' and lignite Units' property, plant and equipment and provision for mines' land restoration	–	(194,231)	–	–	–	–	–	(976,993)	**(1,171,224)**
– Revaluation surplus/(Devaluation) of property, plant and equipment	11,041	–	–	(161,537)	740,577	8,058	1,096	–	**599,235**
– Additions- decommissioning and removal costs of Power Plants', and Mining facilities and mines' land restoration	6,092	89,129	–	15,749	18,659	–	–	–	**129,629**
– Additions	–	–	–	1,280	134,159	261	6,137	507,743	**649,580**
– Depreciation charge for the year	–	(66,842)	(788)	(89,260)	(471,998)	(6,313)	(8,772)	–	**(643,974)**
– Disposals	–	–	–	(1,096)	(10,634)	(47)	(137)	–	**(11,914)**
– Transfers from CIP	57	71,070	–	55,542	106,507	–	941	(241,129)	**(7,012)**
– Transfers	–	–	–	113	(105)	–	4	(761)	**(749)**
– Other movements	–	(40,517)	–	–	215	–	–	38,715	**(1,588)**
December 31, 2019	**431,287**	**156,624**	**22,209**	**1,456,853**	**7,180,175**	**33,980**	**54,345**	**1,237,242**	**10,572,714**
– Impairments of property, plant and equipment	(130)	(29,549)	–	(18,179)	(44,841)	–	(2,527)	(46,863)	**(142,089)**
– Partial reversal of impairement loss on construction in progress	–	–	–	–	–	–	–	209,856	**209,856**
– Revaluation of property, plant and equipment	31	–	–	1,584	(1,859)			(302)	**(546)**
– Additions of decommissioning costs of Wind Parks/ (Reductions) of mines' land restoration cost	–	(1,893)	–	–	143	–	–	–	**(1,750)**
– Additions	26	–	–	2,095	155,662	90	6,227	214,182	**378,282**
– Depreciation charge for the year	(577)	(41,018)	(788)	(103,885)	(568,868)	(11,969)	(8,712)	–	**(735,817)**
– Disposals	–	–	–	(582)	(3,259)	(37)	(132)	–	**(4,010)**
– Transfers from CIP	13	21,796	–	8,858	46,664	–	66	(77,507)	**(110)**
– Transfers to intangible assets	–	–	–	–	(4,395)	–	–	(1,787)	**(6,182)**
– Other movements	9,109	(9,326)	–	–	11	–	–	(256)	**(462)**
December 31, 2020	**439,759**	**96,634**	**21,421**	**1,346,744**	**6,759,433**	**22,064**	**49,267**	**1,534,565**	**10,269,886**
At December 31, 2018									
Gross carrying amount	414,098	961,843	40,247	2,064,399	9,043,595	59,477	146,935	1,909,668	**14,640,262**
Accumulated depreciation	–	(663,828)	(17,250)	(428,336)	(2,380,801)	(27,456)	(91,860)	–	**(3,609,531)**
Net carrying amount	**414,098**	**298,015**	**22,997**	**1,636,063**	**6,662,794**	**32,021**	**55,075**	**1,909,668**	**11,030,731**
At December 31, 2019									
Gross carrying amount	431,287	1,081,526	40,247	1,974,449	10,032,974	67,749	154,976	2,214,235	**15,997,442**
Accumulated depreciation	–	(730,670)	(18,038)	(517,596)	(2,852,799)	(33,769)	(100,632)	–	**(4,253,505)**
Impairments	–	(194,231)	–	–	–	–	–	(976,993)	**(1,171,224)**
Net carrying amount	**431,287**	**156,624**	**22,209**	**1,456,853**	**7,180,175**	**33,980**	**54,345**	**1,237,242**	**10,572,714**
At December 31, 2020									
Gross carrying amount	440,466	875,018	40,247	1,479,009	7,396,322	34,137	74,605	1,371,572	**11,711,377**
Accumulated depreciation	(577)	(748,836)	(18,826)	(114,087)	(592,048)	(12,073)	(22,811)	–	**(1,509,258)**
(Impairments)/Reversal of impairment losses	(130)	(29,549)	–	(18,179)	(44,841)	–	(2,527)	162,993	**67,767**
Net carrying amount	**439,759**	**96,634**	**21,421**	**1,346,744**	**6,759,433**	**22,064**	**49,267**	**1,534,565**	**10,269,886**

PARENT COMPANY	Land	Mines	Lakes	Buildings and Technical Works	Machinery & Equipment	Transportation Assets	Fixtures and Furniture	Construction in progress	Total
Net book value									
December 31, 2018	**406,135**	**298,015**	**22,564**	**1,563,775**	**6,408,385**	**13,736**	**43,676**	**1,764,971**	**10,521,257**
– Impairments of mines' and Lignite Units' property, plant and equipment and provision of mines' land restoration	–	(194,231)	–	–	–	–	–	(949,537)	**(1,143,768)**
– Revaluation surplus/(Devaluation) of property, plant and equipment	10,068	–	–	(133,053)	820,798	5,056	395	–	**703,265**
– Additions -decommissioning and removal costs of Power Plants', and Mining facilities and mines' land restoration additional costs	6,092	89,129	–	15,749	18,659	–	–	–	**129,629**
– Additions	–	–	–	1,052	134,159	29	4,171	468,510	**607,921**
– Depreciation charge for the year	–	(66,842)	(788)	(86,785)	(462,433)	(3,085)	(6,708)	–	**(626,641)**
– Disposals	–	–	–	(1,096)	(10,634)	(9)	(123)	–	**(11,862)**
– Transfers from CIP	57	71,070	–	23,229	77,911	–	941	(173,790)	**(582)**
– Other movements	–	(40,517)	–	105	(105)	–	–	37,923	**(2,594)**
December 31, 2019	**422,351**	**156,622**	**21,776**	**1,382,976**	**6,986,741**	**15,728**	**42,353**	**1,148,077**	**10,176,626**
– Impairments of property, plant and equipment	–	(29,550)	–	(15,093)	(43,424)	–	(2,527)	(45,772)	**(136,366)**
– Partial reversal of impairement loss on construction in progress	–	–	–	–	–	–	–	209,856	**209,856**
– Revaluation of property, plant and equipment	31	–	–	1,584	480	–	–	–	**2,095**
– (Reduction) of mines' land restoration costs	–	(1,893)	–	–	–	–	–	–	**(1,893)**
– Additions	–	–	–	930	155,345	90	3,886	184,360	**344,633**
– Depreciation charge for the year	(577)	(41,017)	(788)	(95,334)	(524,297)	(7,005)	(6,265)	–	**(675,283)**
– Disposals	–	–	–	(582)	(3,259)	(36)	(120)	–	**(3,997)**
– Transfers from CIP	3	21,796	–	5,916	29,227	–	5	(57,028)	**(81)**
– Other movements	9,109	(9,326)	–	–	–	–	–	(275)	**(492)**
– Transfer to Assets Held for sale (Note 5)	(193,160)	–	–	(133,820)	(4,229,896)	–	(39)	(5,482)	**(4,562,397)**
December 31, 2020	**237,757**	**96,632**	**20,988**	**1,146,577**	**2,370,917**	**8,777**	**37,293**	**1,433,758**	**5,352,700**
At December 31, 2018									
Gross carrying amount	406,135	945,156	39,817	1,942,438	8,489,895	25,984	110,029	1,764,971	**13,724,425**
Accumulated depreciation	–	(647,142)	(17,253)	(378,663)	(2,081,510)	(12,248)	(66,352)	–	**(3,203,168)**
Net carrying amount	**406,135**	**298,014**	**22,564**	**1,563,775**	**6,408,385**	**13,737**	**43,677**	**1,764,971**	**10,521,258**
At December 31, 2019									
Gross carrying amount	422,351	987,585	39,817	1,847,069	9,513,080	31,051	113,573	2,097,616	**15,052,140**
Accumulated depreciation	–	(636,731)	(18,041)	(464,092)	(2,526,338)	(15,323)	(71,220)	–	**(3,731,745)**
Impairments	–	(194,231)	–	–	–	–	–	(949,537)	**(1,143,768)**
Net carrying amount	**422,351**	**156,622**	**21,776**	**1,382,977**	**6,986,741**	**15,728**	**42,353**	**1,148,077**	**10,176,626**
At December 31, 2020									
Gross carrying amount	238,334	875,017	39,817	1,244,703	2,692,482	15,751	46,063	1,269,674	**6,421,841**
Accumulated depreciation	(577)	(748,836)	(18,829)	(83,034)	(278,138)	(6,974)	(6,243)	–	**(1,142,631)**
(Impairments)/Reversal of impairment losses	–	(29,549)	–	(15,092)	(43,425)	–	(2,527)	164,084	**73,491**
Net carrying amount	**237,757**	**96,632**	**20,988**	**1,146,577**	**2,370,917**	**8,777**	**37,293**	**1,433,758**	**5,352,700**

Impairment of Mines due to acceleration of the conversion of the new unit under construction "Ptolemaida V" from Lignite to Natural Gas Unit

The under-construction Unit "Ptolemaida V" was initially planned to operate from 2022 as lignite unit and be converted to Natural Gas Unit until 2028 at the latest. After new facts (note below), the conversion and operation of the said Unit to Natural Gas Unit is scheduled to 2025. As such, the mines (in operation today) that would supply the new Unit with lignite, will be ceased earlier and specifically at the end of 2024, instead of year 2028 that was planned as of 31.12.2019. Following this change in the lignite phase-out plan, in the financial statements of the year ended December 31st, 2020, an impairment loss was recorded on the value of property, plant and equipment of the relevant Mines, as a result of the reduction in the number of years in use by the Group and the Parent Company.

Property, plant and equipment that an impairment loss was recorded mainly include land for the extraction of lignite, buildings, mechanical and other mining equipment. Management proceeded with an assessment of their recoverable value, based on the ratio of definitive years of their utilization to their total useful life as estimated as of 31.12.2019. Moreover, the Group and the Parent Company impaired proportionally and the decommissioning assets of mines. As of December 31st, 2020, the Group and the Parent Company recognized impairment for mines property, plant and equipment and decommissioning assets amounting to Euro 91.2 mil. out of which Euro 52.5 mil. was charged in the Statement of Income (Euro 39.9 mil. net of deferred tax for the Group and the Parent Company respectively), while an amount of Euro 38.5 mil. was charged in the Statement of Comprehensive Income (Euro 29.3 mil. net of deferred tax for the Group and the Parent Company respectively).

Partial reversal of the impairment of investment in the new Electric Unit 660 MW in Ptolemaida

The construction of the new unit 660 MW in Ptolemaida is in progress. PPC S.A. has already paid the two advance payments of Euro 197.88 mil. each against relevant Letters of Guarantee of Advance Payment amounting to Euro 226.77 mil. each.

On 05.04.2017, following the relevant decision of the Board of Directors of the Company, the Supplement No 1 of the Convention 11 09 5052 of Thermal Projects Engineering – Construction Department was issued. With this Supplement, the Conventional Table of Materials and Prices was replaced with a new Table of Materials and Prices which includes a further analysis of the prices in accordance with a relevant conventional term.

Additionally, for the needs of testing the equipment of the Project (commissioning), PPC S.A. and the Contractor signed on 04.07.2019 the Supplement No 2 of the Convention, according to which the Contractor undertakes the construction and the commissioning of a Temporary Interconnection of the 150 kV transmission line with the Backup Unit Auxiliary Transformer. On December 31st, 2020, the total expenditure for the Project amounts to Euro 1.456 bil. (31.12.2019: Euro 1.355 bil.).

On December 31st, 2019, the Parent Company proceeded to an impairment test of the total cost of the project, as the plan to withdraw the lignite units was an indication of impairment. From this test, an impairment in the carrying amount of the project was recorded by €589 mil. On December 31st, 2020, and with the new fact that the additional investment for the conversion of the Lignite Unit into a Natural Gas Unit will amount to Euro 230 mil., increasing the capacity of the Unit from 660 MW to 1150 MW, while the start of its operation as a Natural Gas Unit is now sheduled to 2025 instead of 2028 according to the initial lignite phase-out plan, the indicators of impairment that existed on December 31st, 2019, no longer exist. Specifically, the recoverable amount determined by the method of Value in Use concluded to be higher than the cost of the investment (reduced by the impairment of Euro 589 mil. as of December 31st, 2019) by Euro 210 mil. Following these, the Parent Company proceeded to a partial reversal of the impairment loss by Euro 210 mil. in favor of the Income Statement.

The Value in Use method was based on the future cash flows of the investment discounted using a discount rate (Weighted Average Cost of Capital - "WACC") 5.6% (31.12.2019: 5.4%). The main assumptions made concern the future costs for the operation of the Unit (fuel costs, emission allowances cost, etc), the expected future revenues as well as the additional capex required for the change of fuel mix from 2025.

Other impairments for the year ended 31 December 2020

On December 31st, 2020, capitalized costs in Parent Company's Construction in Progress were impaired totaling Euro 45.1 mil. out of which Euro 24 mil. concern investments that are implemented gradually, in order for Units I, II, III and V of SES Agios Dimitrios to adapt to the environmental requirements of Directive 2010/75/EU and to comply with the objectives of Transitional National Emissions Reduction Plan (TNERP).

On December 31st, 2019, the Parent Company recognized a provision for losses based on IAS 37 (onerous contracts) amounting to Euro 45.7 mil. for the aforementioned investments that cannot be avoided and derive from the specific environmental obligation. Therefore, this impairment of the capitalized costs by Euro 24 mil., reduced equally the relevant provision recognized on December 31st, 2019 and did not charge the income statement of the year. The remaining part of the impairment Euro 19.2 mil. concerns mainly additions made to the Mines and the specific amount was charged the income statement of the year ended December 31st, 2020.

Revaluation Surplus Reserve

The following table presents the revaluation reserve's movement, after tax.

	GROUP	COMPANY
Balance 31.12.2019	**4,753,454**	**4,658,997**
impairment of Mine's Property, plant and equipment	(29,322)	(29,322)
Change in future outflows of decommissioning and removal costs of Power Plants', Mining facilities and mines' land restoration additional costs (Note 32)	2,471	2,471
Revaluation surplus of 2019 recorded in 2020	(416)	1,592
Disposal of property, plant and equipment	(26,060)	(25,566)
Other movements to Retain Earnings (not related to revaluation)	(13,739)	(13,739)
Balance 31.12.2020	**4,686,388**	**4,594,433**

Revaluation of Property, plant and equipment on 31 December 2019

The Group proceeded with the revaluation of its operating propery, plant and equipment as of December 31st, 2019. The revaluation, which excluded lakes, land for the extraction of lignite and construction in progress, was carried out by an independent firm of appraisers, according to IAS 16. Property, plant and equipment of the Group's subsidiaries abroad were not revalued.

The results of the revaluation were recorded in the Company's books on December 31st, 2019. The previous revaluation took place on December 31st, 2014.

The method and the significant assumptions used by the independent firm of appraisers were as follows:

(a) To calculate the fair value of the property, plant and equipment, the appraisers took into account the Group's Operational Plan, which provides for, among others, the gradual shutting-down of lignite units and lignite mines until 2028.

(b) The total of the appraised property was considered to be wholly owned by the Group (except those that are jointly-owned with IPTO S.A.), while, properties for which the Group notified the independent firm of appraisers that are burdened by commitments or during the appraisals it was found that are burdened by commitments, were not taken into account for the appraisal.

(c) The appraisers assumed that the Group for all its property, has the title deeds, building permits and other similar approvals, or has arranged to settle any outstanding issues, as required by Greek Legislation.

(d) The majority of the properties that were appraised, were considered being used by the Group, both in the Sectors of Mines, Generation and Distribution (HEDNO SA), as well as to house its Administrative Divisions and are expected to be used as such during their remaining useful life.

(e) The Market Approach (market-based evidence) was applied to determine the Fair Value (Note 41) of land, buildings, fixtures & furniture and transportation assets. The appraiser, in order to calculate the fair value of the property, carried out a market research and relied on these market research data as well as on data collected by professionals who are active in each examined region of the relevant properties and lands, adjusting the market data according to the conditions of each region and the physical characteristics of the Group's properties and lands (size, condition and exact location).
In the case of lands and buildings where sufficient comparative data have not been found, the Utilization Approach/Residual Method was applied. Future Land restoration costs for properties were power plants and mines are in operation were not calculated.
The fair value (Note 41) for special purpose buildings, machinery and technical works (special purpose property, plant and equipment), was determined on the basis of the Cost Approach and in particular by the method of depreciated replacement cost, in the context of which the needed adjustments were made to reflect their physical, functional, technological and economic obsolescence. For all electromechanical equipment, the appraiser took into account their acquisition date, their degree of utilization, maintenance and marketability. In the total of the electromechanical equipment of the lignite units and mines, apart from the physical obsolescence, the functional obsolescence was also added taking into account the immediate plan of units' and mines' withdrawal, the technology (fuel) they use, the ratio of the power production of the units to their installed capacity and the corresponding decommissioning date of the Mines and the units.

(f) The economic obsolescence was determined by the appraiser applying the income approach and in particular the discounted cash flows method after testing the Group's profitability (Profitability testing). The discount rate used at Group level was calculated on the basis of WACC (Weighted Average Cost of Capital) and amounted to 6.5%. Sensitivity analysis was performed on the positive or negative change in the discount rate by 0.25% and on the positive or negative change in the cash flow growth rate by 0.25% and not additional burden on the Group's profit and loss was identified.

The revalued amounts, from appraisers' work, compared to Net Book Value of the property, plant and equipment, resulted to net surplus for the Group amounting to approximately Euro 1,261 mil., (Parent Company: Euro 1,249 mil.), which was credited directly in the Revaluation Surplus in Comprehensive Income (Euro 958.4 mil. and Euro 949.9 mil. net of Deferred Taxes for the Group and the Parent Company, respectively). Also, an amount of Euro 672.4 mil. for the Group (Parent Company: Euro 546.6 mil.) which was not offset by previous years' Revaluation Surplus was charged in the Statement of Income for the year ended December 31st, 2019 (Euro 511 mil. and Euro 415 mil. net of deferred tax for the Group and the Parent Company respectively).

Impairment of mines' land and construction in progress on 31 December 2019

Under the new business plan of the Group and the immediate withdrawal plan for lignite units and mines, the Group and the Parent Company proceeded on December 31st, 2019 to an impairment test of mines' land (evaluation by the cost method) for individual assets. More specifically, assets that are not expected to be used in the production process as their recoverable value is very low, were fully impaired. For assets that are expected to be used in the production process until the end of the mines production activity, Management proceeded to the assessment of their recoverable value, estimating Unit future production capacity. On December 31st, 2019, the Group and the Parent Company recognized impairment for all Mines (mines' lands and construction in progress) amounting to Euro 516 mil. and Euro 489 mil. respectively.

Impairment of decommissioning provision on 31 December 2019

On December 31st, 2019, due to immediate lignite-phase out, the Group and the Parent Company proceeded in recognizing an asset amounting to the additional provision for the mines' land restoration, while at the same time this asset was impaired by Euro 66.67 mil., since its carrying amount exceeded its recoverable value.

Capitalization of Borrowing cost:
On December 31st, 2020, the Group and the Parent company capitalized borrowing cost for construction in progress totaling Euro 23.5 mil. (2019: Euro 22.2 mil.)

Encumbrances on property, plant and equipment:
Encumbrances on the Group's Property, plant and equipment are presented in Note 30, while claims from third parties are presented in Note 40.

16. Intangible Assets, Net

GROUP

	31.12.2020				31.12.2019		
	Software	Other Intangible Assets	Emission Allowances	Total	Software	Emission Allowances	Total
Net book value, January 1	**24,617**	**–**	**56,306**	**80,923**	**22,792**	**177,731**	**200,523**
Additions	1,269	1,439	418,745	421,453	8,395	551,831	560,226
Consumptions	–	–	(393,522)	(393,522)	–	(673,256)	(673,256)
Depreciation (Note 9)	(4,529)	(695)	–	(5,224)	(7,136)	–	(7,136)
Disposals	–	–	–	–	(16)	–	(16)
Transfers from property, plant and equipment	109	6,182	–	6,291	582	–	582
Other movements	(14,547)	16,742	–	2,195	–	–	–
December 31	**6,919**	**23,668**	**81,529**	**112,116**	**24,617**	**56,306**	**80,923**

COMPANY

	31.12.2020				31.12.2019		
	Software	Other Intangible Assets	Emission Allowances	Total	Software	Emission Allowances	Total
Net book value, January 1	**8,748**	–	**56,306**	**65,054**	**11,905**	**177,731**	**189,636**
Additions	327	351	418,745	419,423	1,060	551,831	552,891
Consumptions	–	–	(393,522)	(393,522)	–	(673,256)	(673,256)
Depreciation (Note 9)	(3,434)	–	–	(3,434)	(4,795)	–	(4,795)
Disposals	(1)	–	–	(1)	(4)	–	(4)
Transfers from property, plant and equipment	81	–	–	81	–	–	–
Transfers	(905)	905	–	–	582	–	582
December 31	**4,816**	**1,256**	**81,529**	**87,601**	**8,748**	**56,306**	**65,054**

The net carrying amount of software and other intangible assets is further analyzed as follows:

	GROUP		COMPANY	
	Software	Other Intangible Assets	Software	Other Intangible Assets
At December 31, 2019				
Gross carrying amount				
Accumulated amortization	110,630	–	83,656	–
Net carrying amount	(86,013)	–	(74,908)	–
Net carrying amount	**24,617**	**–**	**8,748**	**–**

	GROUP		COMPANY	
	Software	Other Intangible Assets	Software	Other Intangible Assets
At December 31, 2020				
Gross carrying amount	87,816	33,541	77,174	7,163
Accumulated amortization	(80,897)	(9,873)	(72,358)	(5,907)
Net carrying amount	**6,919**	**23,668**	**4,816**	**1,256**

17. Investments in Subsidiaries

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

COMPANY	31.12.2020	31.12.2019
HEDNO S.A.	56,982	56,982
PPC Renewables S.A.	155,608	155,608
PPC FINANCE PLC	59	59
PPC BULGARIA JSCo	522	522
PPC ELEKTRIK TEDARIK VE TICARET A.S.	1,350	1,350
PPC ALBANIA	490	150
EDS DOO Skopje	6,600	6,600
LIGNITIKI MELITIS S.A.	–	–
LIGNITIKI MEGALOPOLIS S.A.	–	–
	221,611	**221,271**

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

In February 2020, the Parent Company's Board of Directors decided to further increase the share capital of its 100% subsidiary under the name "Lignitiki Melitis S.A." by Euro 15 mil. with the issuance of 3.75 mil. common shares with a nominal value of four (4) Euros per share and an issue price of four (4) Euros per share. The amount of the share capital increase was paid in three (3) monthly installments until April 30th, 2020.

In April 2020 the Parent Company's Board of Directors decided to further increase the share capital of its subsidiaries under the name "Lignitiki Megalopolis S.A." and "Lignitiki Melitis S.A." amounting to Euro 104.426 mil. by capitalizing the liabilities of the subsidiaries to the Parent Company, as follows:

- Increase in the share capital of "Lignitiki Megalopolis S.A." by Euro 65.6 mil. with the issuance of 16,401,022 common shares with a nominal value of four (4) Euros per share and an issue price of four (4) Euros per share,
- Increase in the share capital of "Lignitiki Melitis S.A." by Euro 38.8 mil. with the issuance of 9,705,500 common shares with a nominal value of four (4) Euros per share and an issue price of four (4) Euros per share.

On December 31st, 2019, the Parent Company recognized a provision of expected credit lossed on the above capitalized receivables. In 2020, the provision of expected credit lossed was de-recognized and an equal impairment of the shareholding in those subsidiaries was recognized.

In August, October and November 2020, the Parent Company granted to "Lignitiki Megalopolis S.A." temporary cash facilities of Euro 4.8 mil., Euro 2 mil. and Euro 3 mil. respectively which are expected to be repaid by the end of 2020.

In December 2020, the Parent Company's Board of Directors decided the increase of the share capital of its 100% subsidiary under the name "Lignitiki Megalopolis S.A." through an offset of its existing and future debt towards PPC of Euro 55 mil., an increase of its share capital through cash payment of Euro 40 mil. and a reduction of its share capital by offseting it with losses of Euro 230 mil. Therefore, the Parent Company recorded a provision of expected credit losses of Euro 51.2 mil. for the trade receivables included in its records. The amount of share capital increase through cash was paid in three (3) installments until February 2021 out of which the amount of Euro 10 mil. was paid in December 2020.

Within February 2021 the Parent Company's Board of Directors decided the increase of the Share Capital of its 100% subsidiary under the name "Lignitiki Melitis S.A." through an offset of its existing and future debt towards PPC of Euro 33 mil., as well as the reduction of the share capital with an offset of losses amounting to Euro 90 mil.Therefore, on December 31st, 2020, the Parent Company recorded a provision of expected credit losses of Euro 30 mil. for the trade receivables included in its records.

On December 31st, 2020 the shareholding in "Lignitiki Melitis S.A." and in "Lignitiki Megalopolis S.A." before impairments amounts to Euro 166.8 mil. (31.12.2019: Euro 113 mil.) and Euro 111.6 mil. (31.12.2019: Euro 36 mil.) respectively.

Since the tender process for the sale of the lignite subsidiaries "Lignitiki Melitis S.A." and "Lignitiki Megalopolis S.A." within 2019 was declared barren, their operational profitability (EBITDA) within 2019 was negative, no dividend is expected to be received in the future and also taking into account the fact that the Parent Company made a decision in April 2020 to capitalize its receivables of €104.4 mil. of these subsidiaries, on December 31st, 2019, the Parent Company fully impaired its shareholding in the Lignite Subsidiaries.

On December 31st, 2020, the indications for the impairment of the shareholding in the Lignite Subsidiaries of December 31st, 2019, remain in force and therefore the Parent Company fully impaired its increase in the shareholding of the Lignite Subsidiaries of Euro 129.4 mil.

The subsidiaries of the Group is as follows:

Subsidiaries	Ownership Interest		Country and Year of Incorporation	Principal Activities
	31.12.2020	31.12.2019		
PPC Renewables S.A.	100%	100%	Greece, 1998	RES
HEDNO S.A.	100%	100%	Greece, 1999	HEDN
Arkadikos Ilios 1 S.A.	100%	100%	Greece, 2007	RES
Arkadikos Ilios 2 S.A.	100%	100%	Greece, 2007	RES
Iliako Velos 1 S.A.	100%	100%	Greece, 2007	RES
Amalthia Energiaki S.A.	100%	100%	Greece, 2007	RES
SOLARLAB S.A.	100%	100%	Greece, 2007	RES
Iliaka Parka Ditikis Makedonias 1 S.A.	100%	100%	Greece, 2007	RES
Iliaka Parka Ditikis Makedonias 2 S.A.	100%	100%	Greece, 2007	RES
PPC FINANCE PLC	100%	100%	UK, 2009	Financing Services
PPC Bulgaria JSCo	85%	85%	Bulgaria, 2014	Supply of power
PPC Elektrik Tedarik Ve Ticaret A.S.	100%	100%	Turkey, 2014	Supply of power
PHOIBE ENERGIAKI S.A.	100%	100%	Greece, 2007	RES
PPC ALBANIA	100%	100%	Albania, 2017	Supply of power
GEOTHERMIKOS STOCHOS SOLE SHAREHOLDER COMPANY S.A.	100%	100%	Greece, 2017	RES
GEOTHERMIKOS STOCHOS II SOLE SHAREHOLDER COMPANY S.A.*	100%	–	Greece, 2020	RES
WINDARROW MOUZAKI ENERGY S.A.	100%	100%	Greece, 2018	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
LIGNITIKI MELITIS S.A.	100%	100%	Greece, 2018	Generation of power
LIGNITIKI MEGALOPOLIS S.A.	100%	100%	Greece, 2018	Generation of power

* On July 27th, 2020, the 100% subsidiary «Geothermikos Stochos II Sole Shareholder Geothermal Power Company S.A.", was established with a share capital of Euro 25,000.

18. Investments in Associates

The Group's and the Parent Company's associates as of December 31st, 2020 and December 31st, 2019 are as follows (equity method):

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
PPC Renewables ROKAS S.A.	2,238	2,675	–	–
PPC Renewables TERNA Energiaki S.A.	2,601	3,247	–	–
PPC Renewables NANKO Energy – MYHE Gitani S.A.	1,888	1,965	–	–
PPC Renewables MEK Energiaki S.A.	625	263	–	–
PPC Renewables ELTEV AIFOROS S.A.	2,468	2,572	–	–
PPC Renewables EDF EN GREECE S.A.	7,256	7,838	–	–
Aioliko Parko LOYKO S.A.	7	13	–	–
Aioliko Parko MBAMBO VIGLIES S.A.	6	13	–	–
Aioliko Parko KILIZA S.A.	12	18	–	–
Aioliko Parko LEFKIVARI S.A.	9	17	–	–
Aioliko Parko AGIOS ONOUFRIOS S.A.	16	20	–	–
OROS ENERGIAKI L.T.D.	224	229	–	–
VOLTERRA LYKOVOUNI SOLE SHAREHOLDER COMPANY S.A.	8,112	8,701	–	–
VOLTERRA K-R SOLE SHAREHOLDER COMPANY S.A.	8,575	7,801	–	–

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
WASTE CYCLO S.A.	26	32	37	37
PPC Solar Solutions S.A.*	–	960	–	960
Total	34,063	36,364	37	997

* On September 24th, 2020, the minutes of the General Meeting dated September 16th, 2020, which approved the final liquidation balance sheet of the Société Anonyme "PPC SOLAR SOLUTIONS S.A.", as of 16.09.2020, were registered in the General Commercial Registry. Following this, the company was deleted from the General Commercial Registry.

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

Associates	Note	Ownership Interest		Country and year of Incorporation	Principal Activities
		31.12.2020	31.12.2019		
PPC Renewables ROKAS S.A.		49.00%	49.00%	Greece, 2000	RES
PPC Renewables TERNA Energiaki S.A.		49.00%	49.00%	Greece, 2000	RES
PPC Renewables NANKO Energy – MYHE Gitani S.A.		49.00%	49.00%	Greece, 2000	RES
PPC Renewables MEK Energiaki S.A.		49.00%	49.00%	Greece, 2001	RES
PPC Renewables ELTEV AIFOROS S.A.		49.00%	49.00%	Greece, 2004	RES
PPC Renewables EDF EN GREECE S.A.		49.00%	49.00%	Greece, 2007	RES
EEN VOIOTIA S.A.	1	46.56%	46.56%	Greece, 2007	RES
Aioliko Parko LOYKO S.A.		49.00%	49.00%	Greece, 2008	RES
Aioliko Parko BAMBO VIGLIES S.A.		49.00%	49.00%	Greece, 2008	RES
Aioliko Parko KILIZA S.A.		49.00%	49.00%	Greece, 2008	RES
Aioliko Parko LEFKIVARI S.A.		49.00%	49.00%	Greece, 2008	RES
Aioliko Parko AGIOS ONOUFRIOS S.A.		49.00%	49.00%	Greece, 2008	RES
Waste Syclo S.A.		49.00%	49.00%	Greece, 2011	Waste Management
PPC Solar Solutions S.A.	3	–	49.00%	Greece, 2014	RES
OROS ENERGIAKI S.A.		49.00%	49.00%	Greece, 2017	RES
GREENESCO ENERGIAKI S.A.	2	49.00%	49.00%	Greece, 2017	En. Serv.
VOLTERRA LYKOVOUNI SOLE SHAREHOLDER COMPANY S.A.		45.00%	45.00%	Greece, 2017	RES
VOLTERRA K-R SOLE SHAREHOLDER COMPANY S.A.		45.00%	45.00%	Greece, 2014	RES

1. It is consolidated from the associate company PPC Renewables EDF EN GREECE S.A., as it participates by 95% in its share capital.
2. Amalthia Energiaki S.A., PPC Renewable's subsidiary, acquired 49% of this entity.
3. The Parent Company's participation in "PPC SOLAR SOLUTIONS S.A." within 2020, until the liquidation date on September 24th, 2020, was 49%.

Acquisition of share capital (45%) of two entities (SPVs) of VOLTERRA S.A.

In 2019, PPC RENEWABLES S.A. acquired 45% of two companies' (SPVs) share capital and more specifically of VOLTERRA K-R S.A. and VOLTERRA LYKOVOUNI S.A.

VOLTERRA K-R S.A. has put into operation two wind parks of 16MW total capacity at the location Kouromandri-Riganolakka of the Municipality of Nafpaktia in Etoloakarnania Regional Unit. VOLTERRA LYKOVOUNI S.A. is constructing a wind park of 42.9MW capacity at the location Kastro Lykovouni, of the Municipality of Thebes in Viotia Regional Unit and a wind park of 10.8MW capacity at the location Abelia-Platanakia, of the Municipality of Thebes in Viotia Regional Unit.

The following table presents PPC's share (directly or indirectly) of its associates' financial figures as of 31.12.2020 and 31.12.2019 respectively:

	December 31, 2020		
	Assets	Liabilities	Equity
PPC Renewables ROKAS S.A.	3,065	827	2,238
PPC Renewables TERNA Energiaki S.A.	9,149	6,548	2,601
PPC Renewables NANKO Energy – MYHE Gitani S.A.	2,834	946	1,888
PPC Renewables MEK Energiaki S.A.	1,716	1,091	625
PPC Renewables ELTEV S.A.- SMIXIOTIKO	3,563	1,096	2,468
PPC Renewables EDF EN GREECE S.A.	17,567	10,312	7,256
Aioliko Parko LOYKO S.A.	8	2	7
Aioliko Parko MBAMBO VIGLIES S.A.	12	6	6
Aioliko Parko KILIZA S.A.	23	11	12
Aioliko Parko LEFKIVARI S.A.	10	1	9
Aioliko Parko AGIOS ONOUFRIOS S.A.	19	3	16
Oros Energiaki S.A.	942	815	127
GREENESCO Energiaki S.A.	205	170	(35)
VOLTERRA LYKOVOUNI SOLE SHAREHOLDER COMPANY S.A.	25,399	17,766	7,633
VOLTERRA K-R SOLE SHAREHOLDER COMPANY S.A.	12,927	7,401	5,527
Total	**77,439**	**46,995**	**30,378**

	December 31, 2019		
	Assets	Liabilities	Equity
PPC Renewables ROKAS S.A.	3,101	885	2,216
PPC Renewables TERNA Energiaki S.A.	10,008	6,807	3,201
PPC Renewables NANKO Energy – MYHE Gitani S.A.	2,995	16	2,979
PPC Renewables MEK Energiaki S.A.	1,929	1,322	607
PPC Renewables ELTEV S.A.- SMIXIOTIKO	4,261	1,689	2,572
PPC Renewables EDF EN GREECE S.A.	18,885	13,509	5,376
Aioliko Parko LOYKO S.A.	14	2	12
Aioliko Parko MBAMBO VIGLIES S.A.	19	7	12
Aioliko Parko KILIZA S.A.	22	4	18

	December 31, 2019		
	Assets	Liabilities	Equity
Aioliko Parko LEFKIVARI S.A.	18	2	16
Aioliko Parko AGIOS ONOUFRIOS S.A.	22	3	19
Oros Energiaki S.A.	1,032	901	131
GREENESCO Energiaki S.A.	190	263	(73)
VOLTERA LIKOVOUNI SOLE SHAREHOLDER COMPANY S.A.	14,084	6,324	7,760
VOLTERA K-R SOLE SHAREHOLDER COMPANY S.A.	13,061	7,846	5,215
Total	**69,641**	**39,580**	**30,061**

The following table presents PPC's share of its associates' revenues and results:

	December 31, 2020		December 31, 2019	
	Revenues	Profit/(Loss)	Revenues	Profit/(Loss)
PPC Renewables ROKAS S.A.	718	503	735	505
PPC Renewables TERNA Energiaki S.A.	1,093	333	1,071	369
PPC Renewables NANKO Energy – MYHE Gitani S.A.	333	37	517	159
PPC Renewables MEK Energiaki S.A.	1,113	523	1,132	665
PPC Renewables ELTEV S.A.SMIXIOTIKO	295	83	530	301
PPC Renewables EDF EN GREECE S.A.	2,563	680	2,757	507
Aioliko Parko LOYKO S.A.	–	(6)	–	(3)
Aioliko Parko MBAMBO VIGLIES S.A.	–	(7)	–	(4)
Aioliko Parko KILIZA S.A.	–	(7)	–	(4)
Aioliko Parko LEFKIVARI S.A.	–	(8)	–	(4)
Aioliko Parko AGIOS ONOUFRIOS S.A.	–	(4)	–	(4)
Oros Energiaki S.A.	127	19	187	36
GREENESCO Energiaki S.A.	307	(38)	181	(146)
VOLTERRA LYKOVOUNI SOLE SHAREHOLDER COMPANY S.A.	10	(127)	–	(104)
VOLTERRA K-R SOLE SHAREHOLDER COMPANY S.A.	1,605	312	1,485	164
Total	**8,164**	**2,293**	**8,595**	**2,437**

19. Balances and Transactions with Related Parties

PPC balances with its subsidiaries as of December 31st, 2020 and December 31st, 2019 are as follows:

	December 31, 2020		December 31, 2019	
Subsidiaries	Receivables	(Payables)	Receivables	(Payables)
PPC Renewables S.A.	1,275	–	1,420	–
HEDNO S.A.	496,022	(681,929)	309,426	(562,819)
LIGNITIKI MEGALOPOLIS S.A.	51,957	(709)	69,226	(1,309)
LIGNITIKI MELITIS S.A.	30,002	–	39,000	–
PPC Finance Plc.	–	(37)	–	(57)
PPC Elektrik	649	–	645	–
PPC Bulgaria JSCO	–	(1,537)	2	(1,808)
PPC Albania	–	–	230	(20)
EDS AD Skopje	395	(142)	386	–
Total	**580,300**	**(684,354)**	**420,335**	**(566,013)**

Within 2020, the Parent Company received a dividend from the subsidiary HEDNO S.A. amounting to Euro 23 mil., deriving from profits of the year ended December 31st, 2019.

The above mentioned balances of receivables and payables with the subsidiary PPC Finance Plc relate to its management costs which eventually burden the Parent Company.

In July 2019, the Parent Company's Board of Directors approved the corporate transformation of the subsidiary EDS DOOEL Skopje from Single-Member LTD to a Société Anonyme (JSC).

It also approved the payment of Euro 1,800,000 as initial share capital in order to cover the company's negative equity for the year 2018, to pay the amount required by the Law of Northern Macedonia for the transformation of the company into a Société Anonyme and to create positive equity for the commencement of its operation as an S.A. The above payment took place on August 7th, 2019, while on January 16th, 2020, the transformation of the subsidiary company into a Société Anonyme with a new distinctive title EDS AD Skopje was approved by the competent local authorities.

On December 31st, 2020, the Parent Company recognized a provision of expected credit losses on trade receivables for the subsidiaries "Lignitiki Megalopolis S.A." and "Lignitiki Melitis S.A." of Euro 51.2 mil. (31.12.2019: 65.6 mil. and Euro 30 mil. (31,12,2019: 38.8 mil) respectively.

On March 19th 2021, the Parent Company signed a loan agreement with 100% subsidiary Energy Deliver Solutions (AD) JSK Skopje amounted to Euro 3.7 mil. and interest 3.8% maturing on June 30th, 2021 which was drawn by the subsidiary the same date.

PPC's transactions with its subsidiaries for the year ended December 31st, 2020 and December 31st, 2019, respectively, are as follows:

	December 31, 2020		December 31, 2019	
Subsidiaries	Invoiced to	Invoiced from	Invoiced to	Invoiced from
PPC Renewables S.A.	2,313	–	2,106	–
HEDNO S.A.	1,673,252	(1,791,851)	1,891,133	(2,135,018)
LIGNITIKI MEGALOPOLIS S.A.	47,909	(993)	112,372	(779)
LIGNITIKI MELITIS S.A.	28,901	–	45,526	–
PPC Finance Plc	–	(38)	–	(6,473)
PPC Elektrik	289	(6,333)	–	(3,119)
PPC Bulgaria JSCO	–	(34,056)	115	(44,449)
PPC Albania	–	–	–	(62)
EDS AD Skopje	76	(547)	1,076	(3,056)
Total	**1,752,740**	**(1,833,818)**	**2,052,328**	**(2,192,956)**

Guarantee in favour of the subsidiaries.

As of December 31st, 2020, the Parent Company has provided a guarantee to its subsidiary PPC Renewables S.A. for a total credit line of up to Euro 8 mil., through overdraft facilities, out of which PPC Renewables S.A. has used an amount of Euro 465 thousands relating to letters of guarantee.

As of December 31st, 2020, the Parent Company has provided a guarantee to its subsidiary Energy Delivery Solutions AD (EDS) of Euro 17.1 mil., for loans concerning working capital. EDS Group drew an amount of Euro 11.3 mil.

As of December 31st, 2020, the Parent Company provided a corporate guarantee to EDS for electricity suppliers Energy Financing Team AG - St Gallen and Energy Wind doo Strumica amounting to Euro 4 mil.

Transactions and balances with other companies under Greek State's participation.

The following table presents transactions and balances with companies Hellenic Petroleum ("ELPE") and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively into which the Greek State also participates. Additionally, transactions and balances with DAPEEP S.A., HEnEx S.A., ENEXCLEAR S.A., IPTO S.A., LARCO S.A. are presented below:

	01.01.2020 – 31.12.2020		01.01.2019 – 31.12.2019	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
ELPE	40,832	(80,213)	50,066	(159,346)
DEPA	357	(219,790)	330	(378,467)
DAPEEP S.A.	242,434	(550,891)	230,830	(309,685)
HEnEx S.A.	589,785	(1,230,316)	1,104,976	(2,459,270)
IPTO S.A.	196,593	(399,050)	169,703	(528,379)
ENEX CLEAR S.A.	348,398	(435,712)	–	–
LARCO S.A.	33,833	(3,146)	61,149	(2,929)

	December 31, 2020		December 31, 2019	
	Receivables	(Payables)	Receivables	(Payables)
ELPE	23,382	(21,499)	15,968	(24,996)
DEPA	–	(30,108)	–	(19,603)
DAPEEP S.A.	111,873	(430,562)	64,954	(382,174)
HEnEx S.A.	5	(8)	20,313	(61,197)
IPTO S.A.	154,375	(269,000)	208,774	(388,194)
ENEXCLEAR S.A.	8,552	(9,594)	–	–
LARCO S.A.	362,986	–	353,336	–

PPC's total receivables from LARCO S.A., relating to electricity bills, are fully covered by a provision.

In addition to the above mentioned, 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 balances and transactions for the years 2019-2020 with HCAP S.A. and the companies, in which HCAP S.A. participates, are presented below:

	GROUP		PARENT COMPANY	
	December 31, 2020		December 31, 2020	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	976	(22)	951	(22)
ELTA S.A.	5,004	(3,829)	–	(3,533)
ELTA COURIER S.A.	1	(91)	–	(52)
EYDAP S.A.	3,337	(42)	3,337	(2)
ETVA INDUSTRIAL PARKS S.A.	198	(24)	198	(19)
THESSALONIKI INTERNATIONAL FAIR S.A.	7	–	7	–
ODIKES SYNGKOINONIES S.A.	6,546	(2)	6,546	–
PUBLIC PROPERTIES COMPANY S.A.	4,758	–	4,758	–
URBAN RAIL TRANSPORT S.A.	42,025	–	42,025	–
C.M.F.O. S.A.	10	–	10	–
O.A.S.A. S.A.	1	–	1	–
E.Y.A.TH. S.A.	2,193	–	2,192	–
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	1	–	1	–
AEDIK	2	–	2	–
EYDAP NISON	5	–	5	–
MARINA ZEAS	1	–	1	–
HELLENIC SALTWORKS S.A.	2	–	2	–
TOTAL	**65,067**	**(4,010)**	**60,036**	**(3,628)**

	GROUP		PARENT COMPANY	
	December 31st 2019		December 31st, 2019	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	1,962	(54)	1,962	(31)
ELTA S.A.	6,538	(4,682)	–	(3,939)
ELTA COURIER S.A.	–	(192)	–	(166)
EYDAP S.A.	3,523	(14)	3,523	(3)
ETVA INDUSTRIAL PARKS S.A.	214	(33)	214	(28)
ODIKES SYGKINONIES S.A.	3,951	(3)	3,951	–
PUBLIC PROPERTIES COMP. S.A.	4,491	–	4,491	–
URBAN RAIL TRANSPORT S.A.	24,441	–	24,441	–
C.M.F.O S.A.	60	–	60	–
O.A.S.A. S.A.	2	–	2	–
E.Y.A.TH S.A.	2,559	–	2,558	–
HELLENIC SALTWORKS S.A.	19	–	19	–
TOTAL	**47,760**	**(4,978)**	**41,221**	**(4,167)**

The transactions made by the Group and the Parent company with HCAP S.A. and the companies in which participates for the years ended December 31st, 2020 and December 31st, 2019 are as follows:

	GROUP		PARENT COMPANY	
	01.01.2020 – 31.12.2020		01.01.2020 – 31.12.2020	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
HCAP S.A.	16	–	16	–
ATHENS INTERNATIONAL AIRPORT S.A.	4,311	(113)	4,095	(113)
ELTA S.A.	18,068	(20,114)	23	(15,030)
ELTA COURIER S.A.	7	(181)	6	(90)
EYDAP S.A.	17,272	(167)	17,157	(126)
ETVA INDUSTRIAL PARKS S.A.	941	(34)	940	(31)
THESSALONIKI INTERNATIONAL FAIR S.A.	582	(22)	582	(20)
ODIKES SYGKOINONIES S.A.	2,861	(14)	2,861	–
PUBLIC PROPERTIES COMPANY S.A.	1,687	(1)	1,687	(1)
URBAN RAIL TRANSPORT S.A.	17,501	(1)	17,501	–
C.M.F.O. S.A.	1,038	–	1,038	–
O.A.S.A. S.A.	36	–	36	–
CENTRAL MARKET OF THESSALONIKI S.A.	91	–	91	–
E.Y.A.TH. S.A.	11,681	(4)	11,666	–
HELLENIC SALTWORKS S.A.	217	–	217	–
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	6	–	6	–
GAIA- OSE S.A.	6	–	6	–
A.E.DI.K	17	–	17	–
SOCIAL FEEDING PROGRAM	–	(3)	–	(3)
TOTAL	**76,338**	**(20,654)**	**57,945**	**(15,414)**

	GROUP		PARENT COMPANY	
	01.01.2019 – 31.12.2019		01.01.2019 – 31.12.2019	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
HCAP S.A.	13	–	13	–
ATHENS INTERNATIONAL AIRPORT S.A.	5,295	(192)	5,095	(192)
ELTA S.A.	21,435	(22,456)	170	(16,395)
ELTA COURIER S.A.	8	(217)	8	(131)
EYDAP S.A.	16,284	(161)	16,155	(119)
ETVA INDUSTRIAL PARKS S.A.	1,031	(40)	889	(36)
THESSALONIKI INTERNATIONAL FAIR S.A.	823	(84)	823	(81)
ODIKES SYNGKOINONIES S.A.	2,952	(11)	2,951	–
PUBLIC PROPERTIES COMPANY S.A.	1,938	(1)	1,938	(1)
URBAN RAIL TRANSPORT S.A.	17,318	(369)	17,318	(368)
C.M.F.O. S.A.	968	–	968	–
O.A.S.A. S.A.	21	–	21	–
CENTRAL MARKET OF THESSALONIKI S.A.	229	–	229	–
HELLENIC CASINO OF PARNITHA	263	–	263	–
E.Y.A.TH. S.A.	10,957	(5)	10,924	–
HELLENIC SALTWORKS S.A.	198	–	198	–
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	3	–	3	–
GAIA- OSE S.A.	1	–	1	–
A.E.DI.K	14	–	14	–
TOTAL	**79,751**	**(23,536)**	**57,981**	**(17,323)**

Management remuneration.

Management Members remuneration (Board of Directors and General Managers) for the year ended December 31st, 2020 and December 31st, 2019 is as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
Remuneration of the Board of Directors' members				
– Remuneration of executive members	821	433	438	80
– Remuneration of non-executive members	294	227	–	–
– Compensation/Extraordinary fees and other benefits	280	440	155	159
– Employer's Social Contributions	249	200	80	49
	1,644	**1,300**	**673**	**288**
Remuneration of the Deputy Chief Executive Officers and General Managers				
– Regular remuneration	1,375	681	1,049	514
– Employer's Social Contributions	296	180	196	136
– Compensation/Extraordinary fees	141	4	–	4
	1,812	**865**	**1,245**	**654**
TOTAL	**3,456**	**2,165**	**1,918**	**942**

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. It also does not include the benefit of the 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.

20. Inventories

	Group		Company	
	2020	2019	2020	2019
Lignite	59,364	86,804	48,454	67,674
Liquid fuel	190,030	210,567	187,089	206,327
Materials and consumables	785,249	743,991	542,206	509,992
Purchased materials in transit	7,439	7,853	7,331	7,333
	1,042,082	**1,049,215**	**785,080**	**791,326**
Provision for impairment of inventories	(411,718)	(318,320)	(329,906)	(260,403)
TOTAL	**630,364**	**730,895**	**455,174**	**530,923**

Within 2020, the Group and the Parent Company established additional provisions for slow moving inventories amounting to Euro 50,030 and Euro 26,149 respectively (2019: Euro 95,863 and Euro 90,759 respectively).

Due to the accelaration of the conversion of the new unit under construction "Ptolemaida 5" from Lignite to Natural Gas Unit in year 2025, the mine of Ptolemaida that would supply the new Unit with lignite, will be ceased at the end of 2024, instead of year 2028 that was planned as of 31.12.2019. Following this change, an additional impairment provision was establisehd of Euro 7,048 as those inventories located in the warehouse of the mine, are not expected to be used in the production procedure. Lastly, as of December 31, 2020, the Parent Company recorded an additional impairment provision that amounted to Euro 36,306 on the value of certain refurbished spare parts of Natural Gas Units as their book value was higher than their net realizable value.

The inventories of the Group and the Parent Company are held free of encumbrances.

21. Trade Receivables, Net

	Group		Company	
	2020	2019	2020	2019
High voltage	630,869	554,299	624,022	539,329
Medium and Low voltage	2,479,965	2,580,382	2,456,427	2,573,915
Customers' contributions	2,765	2,896	2,765	2,896
Other energy suppliers	241,695	200,839	–	–
Natural gas receivables	169	–	169	–
	3,355,463	**3,338,416**	**3,083,383**	**3,116,140**
Provision for expected credit losses High voltage	(527,498)	(489,796)	(527,498)	(489,796)
Provision for expected credit losses Medium and Low voltage	(2,001,266)	(2,047,131)	(2,001,266)	(2,047,131)
Other energy suppliers	(118,020)	(117,998)	–	–
	(2,646,784)	(2,654,925)	(2,528,764)	(2,536,927)
TOTAL	**708,679**	**683,491**	**554,619**	**579,213**

High voltage customer balances relate to (a) receivables from sales of energy to 57 companies with 90 installations (power supplies), including large industrial companies, which are invoiced at the end of each calendar month, based on individual agreements and actual metering and (b) receivables from exports to customers abroad.

Medium voltage customers are mainly industrial and commercial companies. Billing is made on a monthly basis and it is based on actual meter readings send by HEDNO. Low voltage customers are mainly residential and small commercial companies.
The majority of low voltage customers are billed every four months based on actual meter readings, while interim bills are issued every two months based mainly on the energy consumed during the corresponding prior period.

There are different types of tariffs for both Medium and Low Voltage customers based on different types of energy use (commercial, residential, etc).

On December 31st, 2020, the nominal value of trade receivables from electricity sales to Low Voltage customers from non-past due bills and bills in delay for up to 60 days, which are included in the securitization, amounted to Euro 174.7 mil. (Note 3).

The provision for expected credit losses for the high voltage customers is established by making a personalized assessment of the expected credit loss per customer.
For the determination of expected credit losses regarding the receivables from Medium and Low voltage customers, the Group and the Parent Company use credit loss provision tables based on the ageing of the balances and the historical data of the Group and the Parent Company for credit losses, adjusted for future factors with respect to debtors and the economic environment.

The provision for expected credit losses is stated as follows:

	Group		Company	
	2020	2019	2020	2019
As at January 1	**2,654,925**	**2,689,872**	**2,536,927**	**2,571,917**
– (Decrease) in provision	(8,141)	(34,947)	(8,163)	(34,990)
As at December 31	**2,646,784**	**2,654,925**	**2,528,764**	**2,536,927**

In December 2020, the Parent Company proceeded to write offs of overdue trade receivables, derived from electricity sales to Low Voltage customers, amounting to Euro 71,521 for which an equal expected credit loss provision was recorded in previous years.

On December 31st, 2020 and December 31st, 2019, the ageing analysis of the invoiced trade receivables and the expected credit loss, is as follows:

Ageing analysis of the trade receivables balances (Group).

31.12.2019	Non past due balance	< 45 days	45 - 90 days	90 - 180 days	180 - 365 days	>365 days	Total
Expected credit loss	12.18%	22.41%	43.90%	62.25%	87.84%	98.81%	79.53%
Total receivables	365,524	189,801	127,668	219,609	288,068	2,147,747	3,338,416
Expected credit loss	44,518	42,537	56,049	136,704	253,027	2,122,090	2,654,925

31.12.2020	Non past due balance	<30 days	30 - 60 days	60 - 90 days	90 - 180 days	180 - 365 days	>365 days	Total
Expected credit loss	7.47%	16.54%	28.27%	37.07%	50.60%	81.33%	99.04%	79.90%
Total receivables	328,596	129,852	117,242	80,742	181,015	264,123	2,253,893	3,355,463
Expected credit loss	24,545	21,475	33,150	29,930	91,602	214,813	2,231,269	2,646,784

Ageing analysis of the trade receivables balances (Parent Company).

31.12.2019	Non past due balance	< 45 days	45 - 90 days	90 - 180 days	180 - 365 days	>365 days	Total
Expected credit loss	14.28%	24.28%	46.34%	67.08%	88.14%	99.33%	81.41%
Total receivables	311,598	175,151	120,943	203,758	287,036	2,017,653	3,116,140
Expected credit loss	44,496	42,533	56,049	136,682	252,998	2,004,168	2,536,927

31.12.2020	Non past due balance	<30 days	30 - 60 days	60 - 90 days	90 - 180 days	180 - 365 days	>365 days	Total
Expected credit loss	9.39%	19.35%	31.23%	42.87%	58.48%	81.73%	99.89%	82.01%
Total receivables	261,445	110,957	106,147	69,816	156,602	262,840	2,115,576	3,083,383
Expected credit loss	24,545	21,475	33,150	29,930	91,586	214,813	2,113,265	2,528,764

On December 31st, 2020, the Parent Company proceed with the revision of the time zones used in the ageing analysis of trade receivables from energy sales for information purposes of Management, estimating simultaneously the relevant expected credit losses from the change of time zones to past due up to 30 days, past due from 30 to 60 days and past due from 60 to 90 days instead of past due up to 45 days and past due from 45 to 90 days. If the provision of expected credit losses was established by the Parent Company according to the time zones used in the ageing of year 2019, the relevant provision of expected credited losses for 2020 would be lower by Euro 11.6 mil. for the Group and the Parent Company.

22. Contract Assets

	Group		Company	
	2020	2019	2020	2019
Unbilled revenue	420,576	479,741	420,576	479,741
Provision for expected credit losses	(48,101)	(54,830)	(48,101)	(54,830)
TOTAL	**372,475**	**424,911**	**372,475**	**424,911**

Revenues from the supply of power to High, Medium and Low voltage customers during the interval from the last measurement or billing until the reporting date are accounted for as energy consumed but not yet billed (unbilled revenue). At each reporting date and taking into account that the billing which is based on measurement data of the last month of the period, is carried out in the first days of the next month with respect to High and Medium Voltage customers, the total value of energy of that month is recognized as accrued income for the period, which is reversed in the following month, after billing has already been accounted for. Additionally, at each reporting date, the Parent Company estimates the unbilled revenue from Low Voltage customers, having developed a specific estimation method. The resulting amounts are accounted for as accrued income for the periods ending until the reporting date and reversed in the next month. All accrued income from the energy consumed but not yet billed is impaired at each reporting date with provision for expected credit losses. This provision is calculated on the basis of the possibility of default for non-past due trade receivables, arising from the expected credit loss provision table.

The analysis of the provision for expected credit losses on the value of the unbilled revenue is as follows:

	Group		Company	
	2020	2019	2020	2019
As at January 1	**54,830**	**63,526**	**54,830**	**63,526**
– Decrease in provision	(6,729)	(8,696)	(6,729)	(8,696)
As at December 31	**48,101**	**54,830**	**48,101**	**54,830**

23. Other Receivables, Net

	Group		Company	
	2020	2019	2020	2019
Value Added Tax	70,908	62,064	66,452	51,033
Assessed taxes and penalties	34,239	32,198	33,664	31,867
Social security funds				
— in dispute	18,059	18,059	18,059	18,059
— current	3,195	3,195	3,195	3,195
State participation in employees' social security contributions	1,546	1,546	1,546	1,546
Pensioners' advances, in dispute	5,262	5,262	5,262	5,262
Loans to employees	5,955	7,026	3,273	4,012
Receivables from contractors	4,047	4,232	4,048	4,048
Receivables from PPCR	—	—	1,121	1,417
Receivables from Lignite subsidiaries	—	—	79,938	104,426
Advances and prepayments	25,580	25,507	20,383	15,832
Accrued income	210,846	229,425	128,888	178,675
Other	153,667	107,768	98,489	88,839
	533,304	**496,282**	**464,318**	**508,211**
Provision for expected credit losses	(139,588)	(135,803)	(249,595)	(272,767)
TOTAL	**393,716**	**360,479**	**214,723**	**235,444**

VAT return.

Within 2020 requests for VAT returns amounting to Euro 115 mil., were submitted to the tax authorities due to credit balances according to 2020 periodic VATstatements. Those amounts mainly arise from outflows subject to a lower tax rate than the input VAT tax rate. The amounts which were entirely returned within 2020 by the Athens Tax Office for Commercial Companies amounted to Euro 85 mil. while the remaining amount of Euro 30 mil. is approved for payment within the next period.

Assesed taxes and penalties:

An amount of Euro 33,475 corresponds to the already paid special consumption tax with recourse.
In the framework of an audit conducted by Audit Department of the Customs House for the period May 2010 to September 2012, an Imputation Act (Nr. 80/14/07.07.2015) of the Head of the 4th Customs Supervision Assembly of Piraeus was issued, which charged the Company with special consumption tax amounting to Euro 9,790 which corresponds to self-consumption quantities for the audited period to Electricity Transmission System due to non-compliance with the terms and formalities mentioned in the Ministerial Decision (ΔΕΦΚ.5025777ΕΞ2010/17.06.2010) on the matter.

The Company paid the charged amounts imposed and at the same time filled an appeal on the aforementioned act before Piraeus Court of Appeals and since then compliant with the instructions of Ministry of Finance, PPC includes the self-consumption quantities of electricity in the Special Consumption Tax Statements which submits and pays with recourse the relevant tax on the monthly basis, while simultaneously files a corresponding lawsuit. A total amount of Euro 33,475 corresponds to a paid special consumption tax with recourse to date.

Social Security Funds in Dispute.
The amount relates to social security contributions and deductions (during years 1983-1993) for employees who have worked with other employers before joining PPC. As PPC undertook the obligation to cover the whole amount of their pensions and other related benefits, part of their contributions to other social security funds mainly IKA (SII, i.e. Social Insurance Institute which was the major Greek social security fund) have been claimed by PPC.

Since the claim was not accepted by IKA, PPC resorted to the courts. Following an adverse court decision, PPC together with PPC – PIO (currently EFKA, Greek Single Social Security Institution) appealed against the said decision. The court rejected PPC's appeal, whereas PPC – PIO's (currently EFKA, Greek Single Social Security Institution) appeal against IKA is still pending. For the abovementioned amount, an equal provision has been establishedin the financial statements.

Advances to Pensioners in Dispute.
The amount of Euro 5,262 represents an advance payment made in 1993 to pensioners. An equal provision has been established of this amount.

State Participation in Employees' Social Security Contributions:
The amount represents the State's contribution to the social security contributions of employees who started working after January 1st, 1993. For the above mentioned amount, an equal provision has been established.

The analysis of the provision for expected credit losses of other receivables is as follows:

	Group		Company	
	2020	2019	2020	2019
Balance, January 1	**135,803**	**129,718**	**272,767**	**127,105**
— Provision charge	7,133	11,952	87,795	151,529
— Reversal of unused provision	(3,348)	(5,867)	(110,967)	(5,867)
Balance, December 31	**139,588**	**135,803**	**249,595**	**272,767**

The provision stated above includes the provision charge for the expected credit losses for trade receivables from lignite subsidiaries. On December 31st, 2019, the Parent Company recognized a provision of expected credit losses on lignite subsidiaries' trade receivables amounted to Euro 104.4 mil. which were capitalized in 2020. As such, said provision of expected credit losses was reversed and an equal amount provision for impairment of the shareholding in lignite subsidiaries was established in 2020. Additionally, a provision for expected credit losses has been established for the balance of net trade receivables as of December 31st, 2020 of lignite subsidiaries that amounted to Euro 81.2 mil. Additional information is provided in Note 17.

24. Financial Assets Measured at Fair Value through Other Comprehensive Income

	Group		Company	
	2020	2019	2020	2019
– National Bank of Greece	15	21	15	21
– Evetam	250	250	250	250
– Euroasia Interconnector	51	51	51	51
– Attica Bank	550	929	330	557
TOTAL	**866**	**1.251**	**646**	**879**

On December 31st, 2020 the total change in the fair value of the above financial assets was recorded in «Other reserves» in Equity. (Note 28)

25. Cash and Cash Equivalents

	Group		Company	
	2020	2019	2020	2019
Cash in hand	378	418	353	397
Cash at banks	561.817	119.157	388.587	50.064
Time deposits	253.445	167.342	238.000	155.000
TOTAL	**815.640**	**286.917**	**626.940**	**205.461**

Interest earned on cash at banks and time deposits are accounted for on an accrual basis and amounted to Euro 2,724 (2019: Euro 2,386) for the Group and to Euro 1,407 (2019: Euro 799) for the Parent Company and are included in financial income in the accompanying statements of income (Note 12). All cash and cash equivalents are denominated in Euro.

Additionally, on December 31st, 2020 the Group and the Parent Company kept in a pledged deposit account an amount of Euro 58,702 and Euro 52,803 respectively (2019: Euro 67,752 Group and Parent Company). The amounts involved relate to (a) the pledged account kept in NBG in favor of the European Investment Bank (EIB) in order to cover existing financing schemes and (b) the pledged account for a pledged deposit in favor of the Consortium of Banks for financing the project of PTOLEMAIDA V. Out of the above amount Euro 5,167 (Group and Parent Company) is not related to pledged deposits of loan agreements.

26. Share Capital

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

On December 31st, 2019 and 2020 PPC's share capital amounted to Euro 575,360 divided into 232,000,000 common shares of Euro two and forty-eight cents (Euro 2.48) per value each. On December 31st, 2019 and 2020 Hellenic Corporation of Assets and Participations S.A. (HCAP) holds directly the 34.123% of PPC's shares and indirectly the 17% through HRADF. The total percentage of voting rights of HCAP S.A. is 51.123%. The total percentage of the Greek State, remains indirectly, as above 51.123%.

27. Legal Reserve

Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their financial statements to a legal reserve, until such reserve equals one-third of the paid-in share capital. This reserve cannot be distributed through the life of the corporation.

28. Other Reserves

	Group		Company	
	2020	2019	2020	2019
Tax free	7,458	7,458	7,458	7,458
Specially taxed reserves	95,597	95,597	95,597	95,597
Actuarial losses of personnel benefits/ Foreign exchange differences	(106,664)	(138,452)	(55,433)	(76,579)
Financial assets measured at fair value through other comprehensive income (Note 24)	7,247	7,630	(82)	150
Lignite Subsidiaries' reserve	79,655	79,655	-	-
Reserve from Hedging activities (Note 43)	4,312	-	4,312	-
TOTAL	**87,605**	**51,888**	**51,852**	**26,626**

29. Dividends

Pursuant to the provisions of the Code for Societe Anonyme L.4548/18, companies are required to pay dividends of at least 35% of after-tax profit, after necessary deductions for the formation of the legal reserve, and other credit accounts in the income statement that do not arise from realized earnings. By decision of the General Meeting which is obtained with an increased quorum and majority that rate may be reduced, but not below 10%.

The non-distribution of a dividend is possible by decision of the General Meeting of Shareholders, which is obtained with an increased quorum and a majority of 80% of the capital represented in the meeting. Furthermore, Greek corporate law (L. 4548/18 art. 159) requires certain conditions to be met for the dividend distribution. Based on L.4646/2019 which amended the articles 40 and 64 of L.4172/2013, the distributable earnings approved by the General Meetings are subject to a withholding tax of 5% since 01.01.2019.

In addition, the amount distributed to the shareholders may not exceed the amount of the results of the last year, added with the profits from previous years that have not been distributed and the reserves for which their distribution is allowed and approved by the general meeting, and reduced: (a) by the amount of the income statement credits, which do not constitute realized profits, (b) by the amount of the losses of previous years and (c) by the amounts to be used to form reserves, in accordance the law and the statute.

Although the corporate year ended December 31st, 2020, is profitable for the Parent Company, the results of the last year fall short of the losses of previous years (losses for the year 2019). Therefore, the Parent Company is not allowed to distribute a dividend for the year ended December 31th, 2020.

30. Long-term Borrowing

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
— Banks Loans	2,128,863	1,942,663	2,043,862	1,911,000
— Bonds Payable	1,982,627	2,078,769	1,971,153	2,066,589
Unamortized portion of loans issuance fees & Loss from the loan modifications	(84,235)	(93,120)	(84,235)	(93,120)
Transfers to Liabilities Held for Sale (Note 5)	—	—	(1,525,062)	—
Total Long-Term Borrowing	**4,027,255**	**3,928,312**	**2,405,718**	**3,884,469**
Less current portion:				
— Bank Loans	289,015	229,848	289,015	229,848
— Bonds Payable	274,216	202,712	274,226	202,722
Unamortized portion of loans issuance fees & Loss from the loan modifications	(16,429)	(15,209)	(16,429)	(15,209)
Transfers to Liabilities Held for Sale (Note 5)	—	—	(149,697)	—
Total Short-Term portion of loans and borrowings	**546,802**	**417,351**	**397,115**	**417,361**
Total Long-Term portion of loans and borrowings	**3,480,453**	**3,510,961**	**2,008,603**	**3,467,108**

During the period January 1st, 2020 to December 31st, 2020, the Parent Company proceeded to debt repayments of loan installments amounting to Euro 391,9 mil. including an amount of Euro 37.5 mil. due to prepayment from the drawdown of of Euro 150 mil. of trade receivables' securitization.

From January 1st, 2020 to December 31st, 2020, the Parent Company, drew an amount of Euro 21.6 mil. from a Bond Loan of a total credit line of Euro 680 mil., with a consortium of foreign banks supported by the German Export Credit Insurance Organization "Euler Hermes", for financing part of the construction cost of the new Lignite Unit "Ptolemaida V".

In January 2020, the Parent Company signed a loan agreement with the European Investment Bank (EIB) amounting to Euro 100 mil. to carry out investments relating to the modernization and strengthening of the Mainland's and Islands' Distribution Network in Greece for the period 2017-2020, under a total funding of Euro 255 mil., bearing the Greek State's guarantee. The Parent Company drew the relevant amount in February 2020.

In February 2020, an amount of Euro 40 mil. from a loan with balance on December 31st, 2019, of Euro 50 mil. in the form of a Revolving Credit Facility (RCF) maturing 2/2020 was extended by one year, i.e. until February 2021 with interim repayments of Euro 30 mil. within 2020.

In July 2020, National Bank of Greece (NBG) approved the extension of a Bond Loan under Law 3156/2003 by the NBG, which is used as collateral in favor of EIB on behalf of PPC S.A. with gradual repayments, until 2023.
PPC's Board of Directors under Decision 128/01.12.2020 approved the aforesaid extension up to November 2023.

In September 2020, the Parent Company drew from Optima Bank a Bond Loan of a 3-year duration, amounting to Euro 15 mil.

In September and October 2020, the Parent Company drew from the European Bank for Reconstruction and Development (EBRD) a loan of Euro 80 mil., from a total amount of Euro 160 mil., of a 2-year duration, without collaterals to support PPC's activities during the Covid-19 pandemicThe Parent Company, having activity in the supply and distribution of electricity, belongs to the companies affected by the pandemic and based on its Business Activity Code Number is included in the package of measures announced by the government (OG 1457/16.04.2020)
In the above context and for using funds for working capital purposes, the Parent Company drew in September 2020 an amount of Euro 30 mil. from the Covid-19 Business Guarantee Fund through a Bond Loan of a five-year duration, with the guarantee of the Hellenic Development Bank.

Moreover, in the context of measures dealing with the effects of the Covid-19 pandemic, the payment of the installments of the Syndicated Bond Loan with Greek banks' participation, totaling Euro 50 mil. in 2020 was suspended and transferred in 2023.
In addition, for the same Syndicated Bond Loan two equal prepayments took place in December 2020 and January 2021 of an amount Euro 37.5 mil. with the drawdown of Euro 150 mil. from trade receivables' sercuritization (Note 3). From the above modifications, a loss of Euro 2.7 mil. was charged in the Statement of Income, while equally increased the loan borrowings of the Group and the Parent Company.

In December 2020, the first Loan Agreement was signed in the framework of modernation and upgrading of the Distribution netwok of medium and low voltage concerning the mainland and insular Greece (interconnected and non-interconnected System) with a financing line for an amount of up to Euro 330 mil. by EIB. In December 2020, PPC drew an amount of Euro 100 mil. from the above financing line.

The category "Bonds Payable" of the above table includes the amount of Euro 523.9 mil. which concerns the partial financing of the construction cost of the Unit PTOLEMAIDA V and it is recorded in the category "Project Financing" of Floating Rate in the following table.

The total amount of interest expenses (excluding those capitalized -Note 15) of loans for the year ended December 31st, 2020, is included in the account financial expenses in the Statement of Income.

In December 2017 the subsidiary PPC Renewables S.A. signed a Loan Agreement with the European Investment Bank (EIB) for the financing of 18 RES projects (14 Wind Parks and 4 Small Hydroelectric Stations) amounting to Euro 85 mil. The first disbursement of Euro 34 mil. took place in 2019 and the second one of Euro 51 mil. on June 5th, 2020, resulting in the disbursement of the entire approved loan. The principal repayments are semi-annual starting from April 24th, 2023 and will be completed by April 24th, 2036.

Furthermore, the same subsidiary signed in September 2018 a Secured Common Bond Loan with the National Bank of Greece (NBG) amounting to Euro 17.5 mil. The first disbursement of Euro 12.2 mil. took place in 2019 and the second one of Euro 2 mil. on February 28th, 2020. The principal repayments are semi-annual starting from June 30th, 2020 and will be completed by December 31st, 2026.

PPC Renewables S.A. in order to secure its loan indebtedness in case of an event of default, has provided an irrevocable notarial letter of attorney for the establishment of a fictitious pledge on the facilities and the mechanical and other equipment of each project that was financed. Additionally a pledge of first class is also held on the trade receivables deriving from the sales for each of the projects financed, a pledge over the Proceeds Account, on the Debt Security Reserves Agreements Account and at the same time a concession due to a pledge for all the receivables deriving from the insurance Contracts which is obliged to sign for each of the projects under financing. Finally, security is also provided in terms of restricted cash amounting to Euro 5.9 mil. as of December 31st, 2020 (31.12.2019: Euro 3.4 mil.).

A further analysis of the long term borrowing of the Group and the Parent Company is presented in the table below:

	Group		Company	
	2020	2019	2020	2019
Bank loans and bonds				
– Fixed rate	160,000	160,000	160,000	160,000
– Floating rate	1,618,704	1,503,799	1,607,220	1,491,599
European Investment Bank				
– Fixed rate	1,797,818	1,768,333	1,712,818	1,734,333
– Floating rate	8,333	16,667	8,333	16,667
Project Financing				
– Floating rate	523,933	574,990	523,933	574,990
Total	**4,108,788**	**4,023,789**	**4,012,304**	**3,977,589**
Total Long Term Borrowing- Transfers to Liabilities Held for Sale (Note 5)	–	–	(1,525,545)	–
Total Long Term Borrowing- Continuing Operations	**4,108,788**	**4,023,789**	**2,486,759**	**3,977,589**

The Long Term Borrowing constitutes secured and non secured obligations of the Parent Company. Specifically, there are:

- Collaterals, in the form of pledged deposits, totaling Euro 18.9 mil.
- A first class Pledge on a deposit account of Euro 28.6 mil. concerning the Syndicated Bond Loan for the partial financing of "Ptolemaida V" that amounted to Euro 739 mil.
- Regarding the Syndicated Secured Common Bond Loan with Greek Banks amounting to Euro 175 mil., maturing 2022 and the Syndicated Secured Common Bond Loan, in the form of credit in readiness (standby), with Greek Banks, amounting to Euro 200 mil., maturing 2022, there is a pledge on PPC's trade receivables from corporate customers amounting to Euro 250 mil. each.
- Regarding the Syndicated Secured Common Lond Loan with a consortium of Greek Banks under the form of credit in readiness (standby) amounting to Euro 200 mil. maturing in 2022, in addition to the pledge on PPC's receivables from corporate customers amounting to Euro 250 mil., a certain pledge over the shares owned by PPC in the Share Capital of PPC Renewables is also held.
- In all loans with the European Investment Bank, there is a guarantee by the Greek State in favor of PPC S.A. for which the Parent Company pays a guarantee commission to the Greek State.

Certain loan agreements of the Parent Cpompany, with an outstading balance of Euro 2.4 bil. as of December 31st, include financial covenants, the non-compliance of which may lead to an event of default.

The annual principal payments of the Group's and the Parent Company's borrowings required to be made subsequent to December 31st, 2019 and December 31st, 2020 are as follows:

	Group		Company	
	2020	2019	2020	2019
Within one year	605,386	452,107	593,242	432,571
In the second year	899,088	597,702	896,802	595,889
Between three and five years	1,664,380	2,005,706	1,642,664	1,994,689
After five years	982,086	986,904	909,597	954,440
Total	**4,150,940**	**4,042,419**	**4,042,305**	**3,977,589**
Total annual principal payments- Transfers to Liabilities Held for Sale (Note 5)	–	–	(1,525,545)	–
Total Continuing Operations	**4,150,940**	**4,042,419**	**2,516,760**	**3,977,589**

In the above debt redemption program, an amount of Euro 18.9 mil. is included which concerns specific purpose financing for using it as a collateral for covering the existing financing lines, and for which the Parent Company keeps an equal amount in a restricted deposit account (Note 25).

Credit rating of PPC from rating agencies.
On December 31st, 2020, PPC's credit rating from ICAP Credit House is set to "D", from the Credit House S&P to "B" with stable outlook and from Fitch Credit House to "BB-" with stable outlook.

Compliance to financial ratios.
On December 31st, 2020, the Group is in compliance with the financial ratios included in its loan agreements.

31. Post-retirement Benefits

a) Supply Of Electricity at Reduced Tariffs

The Group's employees and pensioners are entitled to the supply of electricity (which the Parent Company provides) at reduced tariffs. Such reduced tariffs to pensioners are considered to be retirement obligations and are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end based on the employees earning retirement benefit rights steadily throughout the working period. The relevant retirement obligations are calculated on the basis of financial and actuarial assumptions.

Net costs for the period are included in the payroll cost in the accompanying income statement consisting of the present value of the benefits earned in the year, interest cost on the benefit obligation, as well as past service cost. The actuarial gains or losses are now recorded in comprehensive income statement. Retirement benefit obligations are not funded.

According to Article 11 of Law 4643/2019, from January 1st, 2020 the supply of electricity at reduced tariffs to pensioners of the Group changes. In particular, "A special electricity tariff can be applied to employees and pensioners of PPC S.A., PPC's subsidiaries and IPTO S.A., exclusively for the pricing of electricity consumption where supply charges are applied. In any case, the discount on the charge for electricity consumption resulting from the application of the above special electricity tariff shall not exceed thirty percent (30%)».

The Parent Company's Board of Directors, at its meeting on January 21st, 2020, set the discount at thirty percent (30%).

For the purpose of assessing the impact of this change on the Group's liabilities, in the individual data used to calculate the actuarial liability, included the estimate of the reduction in the cost of electricity supply at reduced tariffs from the application of Article 11 of Law 4643/19 in the individual electricity consumptions in 2019.

Taking into account the specific data, it was estimated, on December 31st, 2019, that the reduction in the actuarial liability due to the change in the supply of electricity at reduced tariffs amounted to Euro 237,282 for the Group (Parent Company: Euro 144,113). The specific change was characterized as Negative Past Service Cost, which according to IAS 19, was recognized in the Results of the fiscal year 2019.

The results of the actuarial study regarding the supply of electricity at reduced tariffs for the fiscal year ended December 31st, 2020 and December 31st, 2019 are as follows:

	Group		Company	
	2020	2019	2020	2019
Changes in the Present Value of the Liability				
Liability at the beginning of the year	150,526	343,395	91,433	207,327
Current Service cost	1,817	3,973	1,010	2,375
Interest cost	1,028	6,145	624	3,459
Past Service Cost	–	(237,282)	–	(144,113)
Actuarial (gains)/losses	(53,753)	50,546	(33,007)	32,164
Benefits provided	(5,214)	(16,252)	(3,347)	(9,779)
Liability at the end of the year	**94,404**	**150,526**	**56,713**	**91,433**
Components that burden the Income Statement				
Current Service cost	1,817	3,973	1,010	2,374
Interest cost	1,028	6,145	624	3,459
Recognition of past service cost	–	(237,282)	–	(144,113)
Total	**2,845**	**(227,164)**	**1,634**	**(138,280)**
Statement of Comprehensive income				
Cumulative amount, at the beginning of the year	195,549	145,003	112,845	80,681
Actuarial (gains)/losses	(53,753)	50,546	(33,007)	32,164
Cumulative amount, at the end of the year	**141,796**	**195,549**	**79,838**	**112,845**

Assumption values in the Actuarial Study

Valuation date	Discount rate	Tariff increases	Profit margin	Expectancy of future services
31.12.2020	0.51%	0.00%	2021: 8.4% 2022: 10.1% 2023: 14.0% 2024+: 15.8%	13.09
31.12.2019	0.70%	0.00%	2020: 1.00% 2021+: 5.60%	13.62

Sensitivity disclosures

	Percentage Change
Increase in discount rate by 0.5%	(6.5)%
Decrease in discount rate by 0.5%	7.3%

b) Provision for Severance Pay.

On June 2nd, 2020, the Parent Company's Board of Directors decided to implement for the current year a voluntary retirement program by providing financial incentive equal to Euro 20,000 to employees with indefinite employment contracts aged 55 and older, including those who reach the age of 55 by December 31st, 2020, regardless of the establishment of a pension right due to the withdrawal of the Lignite Units (Mines and SES) of Western Macedonia, in the context of the Business Planning and Lignite phase-out. This financial incentive will be paid in addition to the legal compensation of up to Euro 15,000 as defined in article 2, par. 2 of A.N. 173/1967. Employees who met the requirements of the program had to declare their voluntary participation in it until June 30th, 2020.

On July 14th, 2020, the Parent Company's BoD decided to implement for the current year a voluntary retirement program providing a financial incencitive equal to euro 20,000 addressed to all employees including those who have been transferred to other State agencies and are occupied with indefinite employment contracts regardless of the specialization, to the executives of the company who are employed on a fixed-term contract and come from the permanent staff and to the lawyers with mandated pay aged 55 and older, including those who reach the age of 55 by December 31st, 2020, regardless of the establishment of a pension right. Employees who met the requirements of the program and wished to join it, should declared their voluntary participation within September 2020.

During 2020 the BoD of the subsidiaries Lignitiki Melitis S.A., Lignitiki Megalopolis S.A. and HEDNO S.A. decided the implementation of the above financial incentive under similar conditions to voluntary retirement programs of the Parent Company to their employees. In the year ended on December 31st, 2020, the Group and Parent Company recognized an additional provision for post-retirement benefits to their employees due to the voluntary retirement programs amounting to Euro 35.8 mil and Euro 22.5 mil. respectively which burden their Income Statement equally.

In addition, an amount of Euro 30.8 mil. and Euro 16.1 mil. respectively is included for the Group and the Parent Company in the trade and other liabilities arising from the above voluntary retirement programs.

All the above are defined benefit plans according to the provisions of IAS 19.

The present value of the liability assumed by PPC and its subsidiaries is calculated using actuarial methods. Results deriving from this actuarial study of severance liability for the fiscal year ended on December 31st, 2020 and December 31st 2019 are as follows:

	Group		Company	
	2020	2019	2020	2019
Changes in the Present Value of the Liability				
Liability, at the beginning of the year	152,637	164,347	84,334	90,668
Current Service Cost	1,775	1,517	1,111	951
Interest Cost	985	2,630	538	1,451
Cost of cuts/settlements/termination of service	31,530	11,060	20,927	4,980
Actuarial (gains)/losses	12,046	8,858	5,182	6,354
Benefits Provided	(45,950)	(35,775)	(39,435)	(20,070)
Liability, at the end of the year	**153,023**	**152,637**	**72,657**	**84,334**
Short term portion of Liability	**14,670**	**–**	**–**	**–**
Long term portion of Liability	**138,353**	**152,637**	**72,657**	**84,334**
Components that burden the results				
Current Service Cost	1,775	1,517	1,111	951
Interest Cost	985	2,630	538	1,451
Cost of cuts/settlements/termination of service	31,530	11,060	20,927	4,980
Total Continuing Operations	**34,290**	**15,207**	**22,576**	**7,382**
Statement of Comprehensive income				
Cumulative amount, at the beginning of the year	8,858	–	6,354	–
Actuarial (gains)/losses	12,046	8,858	5,182	6,354
Cumulative amount, at the end of the year	**20,904**	**8,858**	**11,536**	**6,354**

Assumptions values in the Actuarial Study.

Valuation date	Discount Rate	Salary Increase	Inflation	Resignations	Future Service Expectancy
31.12.2020	0.25%	2.00%	1.10%	0.00%	8.4
31.12.2019	0.70%	2.00%	2.00%	0.00%	8.5

Sensitivity Analysis.

	Percentage change
Increase in the discount rate by 0.5%	(4.0)%
Decrease in the discount rate by 0.5%	4.7%
Increase in the expected salary increase by 0.5%	0.2%
Decrease in the expected salary increase by 0.5%	(0.3)%

In addition to the above, the subsidiary PPC Renewables S.A. has recognized a provision of €170 for severance payment on retirement of its directly recruited personnel (2019: €129).

32. Provisions

	Group		Company	
	2020	2019	2020	2019
Litigation against employees/ third parties (Note 40)	334,469	320,140	294,013	277,769
Provision of decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration	428,896	410,193	427,624	409,321
Provision for onerous contracts (Note 15)	21,657	45,700	21,657	45,700
PPC-PIO fixed assets	2,400	2,400	2,400	2,400
Other	–	2,261	–	1,845
Total	**787,422**	**780,694**	**745,694**	**737,035**

During the year ended December 31st, 2020, the Group and the Parent Company established an additional provision for litigation with employees and third parties amounting to €14,329 and €16,244 respectively.

Provision of Decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and provision for mines' land restoration.

The Group and the Parent Company have undertaken the commitment to dismantle all the power plants' and mining facilities, to remove their equipment and to fully restore mines' lands when the facilities cease to operate. The provision is recognized at the present value of future cash flows that will be required to settle the relevant liabilities. The provision of decommissioning of units and mines has not taken into account any income from the sale of machinery, spare parts and materials or from the utilization of land.

The provision for the decommissioning of Units, Mines and Wind Parks is as follows:

GROUP

	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Balance, January 1, 2020	**114,524**	**62,079**	**232,718**	**872**	**410,193**
Change in future outflows (property, plant and equipment- note 15)	(1,893)	–	–	143	(1,750)
Change in future outflows through income statement	(426)	(458)	(2,276)	262	(2,898)
Change in future outflows through comprehensive income statement	–	(807)	(2,443)	–	(3,250)
Used/Unused provision	–	–	–	(47)	(47)
Finance cost (Note 11)	7,444	4,035	15,127	42	26,648
Balance, December 31, 2020	**119,649**	**64,849**	**243,126**	**1,272**	**428,896**
Current portion	5,890	3,163	4,012	–	13,065
Non-current portion	113,759	61,686	239,114	1,272	415,831
Balance, December 31, 2020	**119,649**	**64,849**	**243,126**	**1,272**	**428,896**

GROUP

	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Balance, January 1, 2019	**27,662**	**–**	**–**	**698**	**28,360**
Change in future outflows (property, plant and equipment)	89,129	10,042	30,458	139	129,768
Change in future outflows through income statement	–	14,933	111,402	–	126,334
Change in future outflows through comprehensive income statement	–	37,104	90,859	–	127,963
Used/Unused provision	(3,069)	–	–	–	(3,069)
Finance cost (Note 11)	802	–	–	34	836
Balance, December 31, 2019	**114,524**	**62,079**	**232,718**	**872**	**410,193**
Current portion	–	–	3,321	–	3,321
Non-current portion	114,524	62,079	229,397	872	406,872
Balance, December 31, 2019	**114,524**	**62,079**	**232,718**	**872**	**410,193**

PARENT COMPANY

	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Balance, January 1, 2020	**114,524**	**62,079**	**232,718**	**–**	**409,321**
Change in future outflows (property, plant and equipmen- Note 15)	(1,893)	–	–	–	(1,893)
Change in future outflows through income statement	(426)	(458)	(2,276)	–	(3,160)
Change in future outflows through comprehensive income statement	–	(807)	(2,443)	–	(3,250)
Finance cost (Note 11)	7,444	4,035	15,127	–	26,606
Balance, December 31, 2020	**119,649**	**64,849**	**243,126**	**–**	**427,624**
Current portion	5,890	3,163	4,012	–	13,065
Non-current portion	113,759	61,686	239,114	–	414,559
Balance, December 31, 2020	**119,649**	**64,849**	**243,126**	**–**	**427,624**

PARENT COMPANY

	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Balance, January 1, 2019	**27,662**	**–**	**–**	**–**	**27,662**
Change in future outflows (property, plant and equipment)	89,129	10,042	30,458	–	129,629
Change in future outflows through income statement	–	14,933	111,402	–	126,334
Change in future outflows through comprehensive income statement	–	37,104	90,859	–	127,963
Used/Unused provision	(3,069)	–	–	–	(3,069)
Finance cost (Note 11)	802	–	–	–	802
Balance, December 31, 2019	**114,524**	**62,079**	**232,718**	**–**	**409,321**
Current portion	–	–	3,321	–	3,321
Non-current portion	114,524	62,079	229,397	–	406,000
Balance, December 31, 2019	**114,524**	**62,079**	**232,718**	**–**	**409,321**

On December 31st, 2020, the present value of the provision for decommissioning of the Group's and Parent Company's units and mines was calculated discounting the land remediation cost, the cost of dismantling the existing equipment/machinery, the cost of demolition of buildings and collection of any waste by using an inflation rate 2% and discount rate 6.5% (2019: 6.5%) Below there is a sensitivity analysis of the units' and mines' decommissioning provision from the change of the discount rate used.

	Present value of the provision of decommissioning		2020		2019	
	2020	2019	+0.25%	-0.25%	+0.25%	-0.25%
Provision of decommissioning of units and mines	427,624	409,322	419,022	436,527	400,139	418,837
Balance, December 31,	**427,624**	**409,322**	**419,022**	**436,527**	**400,139**	**418,837**
Positive/(Negative) effect on the Results of the Group and the Company			**8,602**	**(8,903)**	**9,182**	**(9,515)**

33. Subsidies

Net book values	Group
31.12.2018	**186,324**
– Transfer to revenues	(13,747)
31.12.2019	**172,577**
– Transfer to revenues (Note 9)	(18,857)
31.12.2020	**153,720**

Net book values	Company
31.12.2018	**168,754**
– Transfer to revenues (Note 9)	(11,910)
31.12.2019	**156,844**
– Transfer to revenues (Note 9)	(14,540)
– Transfer to Liabilities held for sale (Note 5)	(37,045)
31.12.2020	**105,259**

34. Long-term Contract Liabilities

As stated in Note 4, Group and Parent Company classify Customers' Contributions and Customers' Advances for Electricity Consumption to Long-Term Contract Liabilities under the provisions of IFRS 15. The following table presents in detail the corresponding figures, as well as the balance on December 31st, 2020 and December 31st, 2019 of the Long-Term Contract Liabilities.

	Group	Company
Balance, January 1, 2019	**2,376,124**	**2,376,124**
Customers' Contributions receipts	59,473	59,473
Transfer to revenues	(86,865)	(86,865)
Reduction of Customers Advances for Electricity Consumption	(17,036)	(17,036)
Balance, December 31, 2019	**2,331,696**	**2,331,696**
Customers' Contributions receipts	60,380	60,380
Transfer to revenues	(88,577)	(88,577)
Reduction of Customers Advances for Electricity Consumption	(29,464)	(29,464)
Transfer to Liabilities held for sale (Note 5)	–	(1,823,290)
Balance, December 31, 2020	**2,274,035**	**450,745**

35. Impairment Loss on Assets

Impairment loss on assets includes the following:

	Group		Company	
	2020	2019	2020	2019
Additional provisions for impairment of inventories (Note 20)	7,048	83,153	7,048	83,153
Impairment loss on mines land and under construction mines	36,254	515,487	36,254	488,091
Partial (reversal of impairment loss)/ impairment loss on investment in Ptolemaida V plant (Note 15)	(209,856)	589,007	(209,856)	589,007
Impairment loss from onerous contracts (Note 15)	–	45,700	–	45,700
Impairment loss on property, plant and equipment under the revaluation model/Impairment loss of property, plant and equipment of Mines (Note 15)	22,463	672,438	22,463	546,620
Impairment of decommissioning provision of Units and Mines (Note 15)	13,179	66,671	13,179	66,671
Decommissioning provision of Units and Mines (Note 32)	–	126,334	–	126,334
Other impairment loss on property, plant and equipment	5,593	–	–	–
Discontinued Operation	–	–	–	(55,790)
Total Continued Operation	**(125,319)**	**2,098,790**	**(130,912)**	**1,889,786**

36. Trade and Other Payables

	Group		Company	
	2020	2019	2020	2019
Trade Payables:				
Suppliers and contractors	569,309	686,984	300,682	418,679
Municipalities' duties	144,016	134,344	144,016	134,344
Social security funds, other	24,329	28,070	13,196	16,047
Greek TV	29,181	30,028	29,181	30,028
DAPEEP S.A.	188,336	282,115	188,336	282,115
Taxes withheld	34,823	35,822	15,888	17,297
Excise Tax	7,194	8,148	7,194	8,148
Customers' credit balances	93,056	66,403	93,054	66,307
IPTO S.A.	116,605	162,791	116,605	162,791
HEDNO S.A.	–	–	132,655	187,372
Bank of Crete	12,053	12,053	12,053	12,053
Lignite Levy	108,610	140,823	100,552	135,129
HEnEx S.A.	48	40,884	4	40,884
Other	101,198	60,769	19,789	12,624
Transfer to Liabilities held for sale (Note 5)	–	–	(1,943)	–
Total	**1,428,758**	**1,689,234**	**1,171,262**	**1,523,818**

From 01.04.2019 DAPEEP is responsible for the clearing and collection of ETMEAR and the Weighted Variable Cost of Thermal Units, while in 2018 until 31.03.2019 IPTO was responsible.

37. Short-term Borrowings

	Group		Company	
	2020	2019	2020	2019
Binding overdraft facilities				
– Credit lines available	42,152	18,630	30,000	–
– Unused portion	–	–	–	–
– Used portion	42,152	18,630	30,000	–

38. Short-term Contract Liabilities

On February 28th, 2020 the Parent Company received from the Greek State, an amount of €587 mil. as a prepayment for the value of the electricity consumed by the government owned entities for the year 2020, based on a five-year agreement signed with the Greek State on June 14th, 2018. The clearing of the amounts is expected to be implemented in the second quarter of 2021.

In addition, on December 31st, 2020, the Parent Company received from the Greek State, an amount of €200 mil. as a partial prepayment for the value of the electricity consumed by the government owned entities of the year 2021. On February 26th, 2021 the Parent Company received the remaining prepayment of €390.5 mil. (total prepayment of €590.5 mil.).

In December 2019, an amount of €83,642 was reimbursed to the Parent Company by the competent Administrators which concerned the Retrospective ETMEAR (Special fee for the reduction of CO_2 emissions) Clearance, due to reduction of charges from January 1st, 2019. This amount was reimbursed to customers in 2020 through their electricity bills.

The following table represents in detail the above, as well as the balance on 31.12.2020 and 31.12.2019 of the Short-Term Liabilities from contracts with customers.

	Group		Company	
	2020	2019	2020	2019
Balance, January 1	**438,910**	**216,693**	**438,910**	**216,693**
Received advances from NOME-type auctions during the year	2,755	59,312	2,755	59,312
Received advance from the Greek State for the value of the electricity consumed by the government owned entities	786,500	550,700	786,500	550,700
ETMEAR of year 2019 reimbursed to the customers	(83,642)	83,642	(83,642)	83,642
Transfer to income proportion of received advances from NOME-type auctions	(14,121)	(66,218)	(14,121)	(66,218)
Decrease in the Greek State's advance for the value of the electricity consumed by the government owned entities	(579,525)	(405,219)	(579,525)	(405,219)
Balance, December 31	**550,877**	**438,910**	**550,877**	**438,910**

39. Accrued and Other Current Liabilities

	Group		Company	
	2020	2019	2020	2019
Accrued interest on loans and borrowings	17,737	17,192	17,737	17,192
Natural gas and liquid fuel purchases	25,713	28,944	25,698	28,945
Energy purchases	73	526	–	–
Expropriation costs	37,047	18,444	37,047	18,444
Personnel day off and overtime	58,125	61,142	36,480	38,905
RAE fees	15,714	10,410	12,782	10,410
Purchase of emission allowances (Note 10)	301,600	434,980	301,600	434,980
Discounts on medium voltage customers	12,220	6,707	12,220	6,707
IPTO S.A.	–	16,629	–	16,629
HEDNO S.A.	7,117	–	53,257	66,025
Variable Insurance Margin	107,008	24,636	107,008	24,636
Other	229,234	98,570	187,640	64,490
Transfer to liabilities Held for Sale (Note 5)	–	–	33,717	–
Total	**811,588**	**718,180**	**825,186**	**727,363**

40. 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 same time the Cadastral process is monitored, and all pending issues are settled. This process has been completed for about 50% of the Country. In this context, 82 cadastral lawsuits are pending, out of which 12 are in Athens, for which the relevant judgements have not yet been issued. The posting of temporary cadastral tables in Athens is expected (72 areas under Cadastral), where the Company owns a significant number of properties.
2. In several cases, expropriated land, as presented in the expropriation statements, differs from the cadastral survey, a reason why the Group 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 2021 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 level, 123 objections are still pending.
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 so thus, those expropriations will be declared in favour and under the expenses of PPC.
5. There are pending 16 to 18 applications for the removal of expropriations concerning abolished HV Transmission Lines through the settlement of rights in rem.
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.

LITIGATION AND CLAIMS

The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at December 31st, 2020, amounts to Euro 886 mil. (31.12.2019: Euro 826 mil.) 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. The total amount raised to Euro 435 mil. (31.12.2019: Euro 397 mil.). 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. The total amount raised to Euro 63 mil. (31.12.2019: Euro 56 mil.).

3. **Claims by employees:**
   A number of the Groups' Employees are claiming the amount of Euro 67 mil. (31.12.2019: Euro 65 mil.), for allowances and other benefits that according to the employees should have been paid by PPC.

4. **PPC's lawsuit against ETAA (former TSMEDE):**
   ETAA (former TSMEDE) by its Decision 7/2012 imposed on PPC the amount of Euro 27.4 mil. 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. Already the case was determined to be discussed at the hearing on April 9th, 2019 and was postponed. Thus, numerous cases filed were postponed, the last one was filed in March 9, 2021.The new hearing has not yet been determined.

   Since its employees – who are engineers- are insured mandatorily to PPC's Insurance Fund based on L. 4491/1966, thus resulting to PPC paying on their behalf to the above mentioned Insurance Fund the corresponding employer contributions while insurance for the above mentioned engineers in ETAA is optional and is done by 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 has not established a provision.

5. **Lawsuits and extrajudicial documents of IPTO against PPC S.A.**
   On February 28th, 2019, two IPTO's lawsuits (February 2015) against PPC for a total amount of Euro 540 mil., 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 and a decision is pending. By its first lawsuit IPTO was asking for an amount of Euro 242.7 mil. (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 Euro 232.6 mil. (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, which is not provisionally enforceable, sent to PPC on July 8th, 2020, and obliges PPC to pay:
   - regarding the first lawsuit, to IPTO: a) the legal interest on the amount of Euro 188,329,288.40 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 Euro 18,984,786.86 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 EUR 227,607,741.42 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 Euro 40,311,194.82 with the legal interest from the service of the lawsuit until the full payment, to HEDNO:
     a) the legal interest on the amount of Euro 5,022,549.98 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 Euro 244,600.25 with the legal interest from the service of the lawsuit until the full payment.

   The interest corresponding to these overdue receivables amounts to Euro 62 mil.

   PPC has filed an appeal against the above decision, which will be heard on 13.01.2022 before the Three-Member Court of Appeal of Athens. On its side, PPC has served an extrajudicial document to IPTO (without the latter having answered), requesting the payment of a total amount of Euro 14 mil. for overdue interest on invoices which incorporate debts to PPC from March 2012 until 02.02.2015.

   In October 2017, a new (third) lawsuit of IPTO against PPC was discussed (without a relevant judgment having been issued yet by the Multimember Court of First Instance in Athens) by which IPTO asks PPC to pay an amount of Euro 406.4 mil. (with interest) for overdue receivables arising also from PPC's participation in the wholesale electricity market and relate to specific non-competitive charges of IPTOs' invoices. Following a written letter to the Administration of the Court of First Instance, said case was discussed again on January 7th, 2021. The interest corresponding to these overdue receivables, amounts to Euro 59 mil.

On November 29th, 2018, IPTO S.A. served an extrajudicial document to PPC S.A. with which IPTO S.A. asks PPC S.A.:
- to pay-off debts of Euro 495.3 mil. 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 Euro 83.4 mil. 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 Euro 82 mil. concerns IPTO, while for the rest, DAPEEP (former EMO) has become the universal successor. Until today, all the above lawsuits' principal amounts excluding interest have been paid, for which a provision is raised.

6. **Alleged claims of former EMO against PPC S.A. due to deficits of the Day Ahead Schedule (DAS).**
Due to the deficits created by the suppliers ENERGA POWER TRADING S.A. and HELLAS POWER S.A. during 2011 and 2012, PPC was obliged 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 Euro 126.3 mil. (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, it filed a lawsuit against PPC asking the residual amount of Euro 78 mil., 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 Euro 126 mil. (plus an amount of Euro 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 will be discussed on September 16th, 2021, before the 13th section of the Three-Member Court of Appeal in Athens.
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 Euro 833 thousands. With the attached letters, EMO claimed that its new claims arose from the second settlement of the Deficit in 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 Euro 50 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.

7. **Claims of third parties against real estate properties.**
As of December 31st, 2020, there are claims from third parties against the Parent Company's properties with a net book value of Euro 13.2 mil. for which the Parent Company has established adequate provision.

Against all the above, the Group and the Parent Company have established a provision as of December 31st, 2020 that amounts to Euro 334 mil. and Euro 294 mil. respectivey (31.12.2019: Euro 320 mil. for the Group and Euro 278 mil. for the Parent company) which is considered adequate towards expected losses that may arise after final settlement of the above cases.

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

On June 19th, 2017, HEDNO S.A. served a notice to PPC on EMO's lawsuit against HEDNO S.A. With this notice HEDNO S.A. asked PPC S.A. to intervene in favor of HEDNO S.A. in the trial 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 amounts to approximately Euro 140 mil. while interest due for late payment amounts to Euro 3.9 mil.

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.

The decision has not yet been served on PPC, while HEDNO is likely to file an appeal.

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 14th, 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 May, June, July and part of August of 2013, totaling to an amount of Euro 48.2 mil., 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 Euro 54.4 mil., 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. No appeal is likely to be filed by DAPEEP.

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, (Euro 6.5 mil.) 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 bn. 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 & 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 is pending. It is noted that until the final judgment on the appeal, the discussion of the aforementioned (December 28th, 1995) lawsuit of the Bank of Crete against PPC remains suspended. In case that the Supreme Court accepts PPC's appeal, then it will discuss the case again and its decision will be irrevocable.

PPC, with its appeal, requests to be recognized that the Bank's loans to PPC had not been transferred to overdraft facilities and therefore the Bank's termination of the loan agreements on June 10th, 1991, was invalid.
If PPC's appeal is accepted, this means that the Bank's lawsuit against PPC will be rejected (because this lawsuit is based precisely on the fact that the Bank's claims from the loans had been transferred to overdraft facilities, which the Bank legally closed with a complaint on June 10th, 1991, and consequently PPC owed to the Bank that year the amount of GRD 2,532,936,698 which is reduced due to the proposed by the Bank offsetting of its claim against PPC's counterclaim amounting to GRD 1,268,027,987, and therefore the difference is 2,532,936,698 - 1,268,027,987 = GRD 1,264,908,711). However, this does not mean that PPC can request from the Bank the amount of GRD 1,268,027,987, because this PPC's claim was settled until 1996 with offsetting proposed by PPC against the Bank's counterclaims that the latter had against PPC from the above loans and which arose when each instalment of these loans became overdue. Therefore, if PPC's appeal is accepted, then neither the Bank has a claim against PPC nor the PPC against the Bank.

However, if PPC's appeal is rejected, then the assumptions of the decision taken by the Court of Appeal will become irrevocable and therefore the court that has undertaken the second lawsuit, i.e. the Bank's lawsuit against PPC, is obliged to accept that on July 22nd, 1991, PPC owed to the Bank of Crete the amount of GRD 1,264,908,711 due to the closing of the overdraft facilities on June 10th, 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) and with quarterly compounding until the repayment, after deducting from the amount due the payments that PPC made to the Bank in repayment of the loan instalments, when they became overdue.

At present, it is not possible to predict the outcome of the case.

Pricing of the General Minining and Metallurgical Societe Anonyme LARCO (LARCO).

With the submission of the amendment plan - addition to a Bill, 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. 11/11.02.2020), 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.4664/14.02.2020 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. Under this contract, LARCO has paid on time the relevant electricity bills until December 31st, 2020.

It is noted that a provision of expected credit loss has been established for the net receivables from LARCO of Euro 362 mil. As of December 31st, 2020 (31.12.2019: Euro 353.3 mil.).

As regards its receivables, PPC has to announce, within a month from the publication of notice, the said claim and it is expected to be included into the non- privileged receivables, which could receive up to 10% of the product of auction (which is distributed to the creditors of this category equally).

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 Euro 30,473,320.8 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 Euro 15,237 for court costs. PPC notified the payment order in question to "HALYVOURGIKI S.A." and further, on March 15th, 2019, proceeded to serve the writ of garnishment for conservative seizure in the banks under the above payment order against "HALYVOURGIKI S.A."

Subsequently, on March 22nd, 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 26th, 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 2nd, 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 EUR 7,167,365.19, and confirming the above Payment Order for the remaining amount.

Furthermore, on February 15th, 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 two hundred and seventy million (270,000,000) euro for consequential damage, which according to the appeal in question, "HALYVOURGIKI S.A." suffered with interest from the service of this appeal, plus one million (1,000,000) euro 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 25th, 2019. On April 23rd, 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 EUR 1,000,000 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 14th, 2019, stated that they were unable to appoint a Third Arbitrator jointly 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 10th, 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 16th, 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 favor 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 14th, 2020 and PPC on May 4th, 2020. In addition, in October 2020 the submissions from both sides of the Parties' Additions – Rebuttals as well as the hearing process took place. The issuance of the Decision is expected.

The Company has not established a provision for the consequential and moral damage claimed by "HALYVOURGIKI S.A." as it considers that the possibility of a positive outcome of the case against the Company is very low.
Furthermore, as to the recent publications in press, following request of NBG (Febr. 23, 2021) before the Court of first instance for "HALYVOURGIKI S.A." in a status of special administration on art. 68-77 of Law 43077/2014, said Company is expected to be included in this special regime. The hearing for this request has been determined on 05.04.2021.

Pricing of other High Voltage Customers.

Taking into account that the supply contracts with High Voltage customers for the energy consumed in the period 2016-2017 expired on December 31st, 2017, PPC, in December 2017, sent letters to all High Voltage customers, with a proposal to extend the existing Supply Contract for the period 2016 - 2017, until February 28th, 2018, in the framework of the Electricity Code and of the contractual relationships.

Subsequently, PPC's Board of Directors, by its related decision, approved the extension of the High Voltage Tariffs until 28.02.2019 and on 26.06.18 PPC's AGM approved the extension of the discounts, which were approved by AGM's decision on 07.12.2015, until 28.02.2019. In this context, a new round of meetings with High Voltage customers was held to inform them on the above issues. Out of the total of 91 supplies that electrify installations of 58 High Voltage customers, electricity supply contracts relating to 72 supplies of 48 High Voltage customers were signed, while for one customer with one supply, under name HALYVOURGIKI S.A., a cessation in representation took place on 17.12.2018 due to debts.

PPC's BoD, with its decision No. 34/19.03.2019 approved the submission of proposals to High Voltage customers (except MYTILINEOS S.A. - GROUP OF COMPANIES and LARCO S.A. whose pricing terms were approved by the competent bodies to be valid until 31.12.2020) for the adjustment of the existing tariffs by + 10%, in order for supply contracts to be signed for the period 01.03.2019 - 31.12.2020. Already, on 04.04.2019, an agreement to sign a High Voltage supply contract with the companies of VIOHALKO Group by the end of 2020 has been reached. Furthermore, in July 2019, PPC announced the agreement to sign a High Voltage supply contract with AGET HERACLES, member of the Lafarge Holcim Group, for its installations which are connected to High Voltage until the end of 2020 and provides for an increase in tariffs by 10%

For all supplies that electrified installations of High Voltage customers until 28.02.2019, (except for "HALYVOURGIKI S.A." and a customer who was under liquidation), electricity supply contracts for the period 01.03.2019-31.12.2020 were signed with the revised tariffs.

By the October 5th, 2016 Decision of the EGM of PPC's Shareholders, the customer's ALOUMINION (now MYTILINEOS S.A. - GROUP OF COMPANIES) pricing terms for the period 01.07.2016 - 31.12.2020 as well as the pricing for the clearing of the period 01.01.2014 - 30.06.2016 were approved. Based on the Decision of the EGM, a Supply Agreement was signed on October 20th, 2016 between ALOUMINION and PPC. Under the signed agreement, MYTILINEOS S.A. - GROUP OF COMPANIES proceeded to a prepayment of Euro 100 mil. for electricity bills for the first contractual period (July 1st, 2016 to June 30th, 2017), as well as to a prepayment of the estimated amounts for the second contractual period (July 1st, 2017 to June 30th, 2018), the third contractual period (July 1st, 2018 to June 30th, 2019) and the fourth contractual period (July 1st, 2019 to June 30th, 2020). For the last contractual period (July 1st, 2020 to December 31st, 2020), the corresponding amount was overcovered through the CO_2 compensation paid by DAPEEP to PPC, based on the final clearing carried out by DAPEEP for the year 2019 and the provisions of the JMD ΑΠΕΗΛ/ οικ. 21906 (OG B' 3304/09.12.2014).

However, it is noted that regarding the previous pricing of the company in question, on the one hand the Court of the European Union issued the final decision [C-332/18 P] on December 11th, 2019, which confirmed the legality of the Commission's decision 2012/339/EC of July 13th, 2011, regarding the state aid SA.26117 - C 2/2010 (ex NN 62/2009), which was implemented by Greece, through PPC, in favor of Alouminion of Greece S.A. (EU 2012, L 166, p. 83) and ordered the legal recovery of state aid amounting to Euro 17.4 mil. due to the implementation of a favorable tariff for the period January 5th, 2007- March 6th, 2008. On the other hand, three cases (T-639/14 RENV, T-352/15 and T-740/17) are pending before the General Court of the European Union regarding the corresponding PPC's appeals for the annulment of the (corresponding) European Union's decisions, with which put (respective) PPC's complaints for violations of state aid's provisions against RAE's (346/2012, of May 9th, 2012) and Arbitration Court's decision in the file, which set a temporary PPC electricity price for the ex Alouminion of Greece S.A., 42 Euro/MWh and the special Arbitration Court's decision (1/2013, of October 31st, 2013), which amended the above RAE's decision No. 346/2012 by reducing the price for the supply of electricity to Alouminion for the period from July 1st, 2010 to December 31st, 2013 at a gross amount of 40.7 Euro/MWh, i.e. a net amount of 36.6 Euro/MWh. The discussion of the above three cases before the General Court of the European Union took place on October 8th, 2020, and the relevant decisions are expected to be issued.

The Contracts signed with High Voltage Customers expired on 31.12.2020. Due to this fact and according to the Provisional Code, PPC has already expressed its proposal to those customers regarding the terms of pricing for year 2021, while the relevant negotiations have been started.

It is also noted that pricing terms are compatible to the policies and pricing parameters of the Provision Code and with the new Target Model for electricity operation, that started in Greece in November 1st, 2020.

PPC intends to cover the needs of its industrial customers, taking into consideration the basic policy deriving from the Provisional Code for the terms of pricing of High Customers, which cover Suppliers cost.

PPC's relation to its personnel's Social Security Fund.

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.

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 sector.

The compliance regarding Laws of competition has a significant impact for PPC's strategy and compatibility, Beginning of auditing procedure is not necessarily a prejudged outcome for the final outcome. PPC is engaged in a full cooperation with European Commission for clarifying all issues that may arised.

Compliance with competition laws is of great importance to PPC and fully aligned with Company's business strategy. The opening of the proceedings does not prejudice the outcome of the investigation. PPC is fully committed to closely cooperate with the European Commission to clarify all issues that may be raised.

<u>ENVIRONMENTAL OBLIGATIONS</u>

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

1. During 2017, the Joint Ministerial Decision regarding the Environmental Terms for HPP Messochora was issued under which PPC is obliged to undertake protection projects for the preservation part of the Messochora Village (Sector D). After an appeal by the association of the Flooded Village of Mesochora "Acheloos:" in the Council of State, with a main demand the cancellation of the Decision regarding the Environmental Terms, invoking the historicity of the Village, the CoS, with its 2230/2020 Decision, canceled the AEPO of Mesochora. As it is apparent from the reasoning of the Decision, that 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 forecasts of the Revised Regional Spatial Planning Framework of the Region of Thessaly. It is noted here that the canceled AEPO had examined and documented the environmental, social and economic feasibility of the project, and justified as well as the inclusion of the project in par. 4 in exceptions to the objectives of Directive 2000/60 EC and the construction of the project as purely energy project and not related to Acheloos Partial Diversion projects.

   PPC has already 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.

The elaboration and issuance of a new AEPO is estimated to take six to eight months, if everything is launched with immediate procedures, with an estimation of the operation of the Project within 2024.

On December 31, 2020 the aggregate expenditure for the project amounts to Euro 281.7 mil. (following impairments of Euro 8 mil.), while it is estimated that an additional amount of approximately Euro 83 mil. will be required in order the project to complete, 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 November 26th, 2013. In December 2013, PPC submitted to the Ministry of Environment and Energy an application for limited changes to the TNERP, along with its declaration to use the limited life-time derogation (Article 33 of the Directive) for certain Power Plants.
After the approval from the Ministry of Environment and Energy, the revised TNERP was resubmitted on March 18th, 2014 by the Greek authorities and was approved by the EU on July 7th, 2014.

   Finally, according to the above, SES Agios Dimitrios, as well as the Units of Meliti and Megalopolis 3 and 4 are included in the TNERP, while SES Amyntaion and Kardia have used the limited life-time derogation.

   The duration of TNERP was from 01.01.2016 to 30.06.2020 and PPC fully complied with its objectives in the entire period. Upon expiration of TNERP, Units I and II of Agios Dimitrios used the limited life-time derogation (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 in order to continue their operation have been completed or are in the final stage of completion. The time delay that has occurred in some of them is mainly due to the restrictive measures to deal with the pandemic.

   From the Units that used the limited life-time derogation, SES Amyntaion and Units I and II of SES Kardia ceased permanently their operation, while Units III and IV of SES Kardia will only operate during winter, under the terms and conditions of the Joint Ministerial Decision No. ΥΠΕΝ/ΥΠΡΓ/56257/7231, article 1, par. 1 & 2, dated 01.07.2019, until the completion of the permitted operating hours.

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 European Commission's decision 2017/1442 on July 31st, 2017, the Conclusions on Best Available Techniques for Large Combustion Plants – BREF LCP were determined under Directive 2010/75/EU. The Decision was published in the Official Journal of the European Union on August 17th, 2017. Following the issuance, of the legally binding, conclusions of the revised Manual, additional investments in PPC's major thermal stations may be required.

   In particular, further environmental investments in SES Agios Dimitrios are not planned, apart from the investments that have been completed or are already in progress. If, however, during the operation there are small deviations from the emission levels of EA 2017/1442/EU, taking into account the remaining useful life of the Units, the derogation of article 15.4 of the IED Directive will be used. The same applies to the new Unit Ptolemaida V.

   Finally, in the combined cycle units of Komotini and Lavrio V, small-scale upgrades of the combustion systems will be implemented (total budget for both Units Euro 3.6 mil., the environmental part corresponding to the DLN Lavrio V upgrade is only Euro 3 mil.) to reduce NOx emissions.

4. On November 28th, 2015 Directive 2015/2193 of the European Parliament and the Council of November 25th, 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 MWth and less than 50 MWth. 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 SES, there are many G/S and auxiliary boilers, but with limited operating time.

   The provisions of the new Directive should be thoroughly examined by the competent departments of PPC, so as together with the competent Greek authorities to timely promote the appropriate strategies for the electrification of the islands with technically and economically viable solutions which should also be promptly implemented, and in any case before the expiry of the deadline laid down by the Directive.

   For the existing units in Small Isolated Systems, the compliance with the new Emission Limit Values will start from January 1st, 2030.

   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. In the context of the decommissioning of the Unit Agios Georgios in Keratsini, a remediation study for the land and the underground water in the Unit was submitted in November 2016 and was approved by the Competent Authorities in July 2017. The remediation cost is estimated at Euro 213 thousand.

   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 plants of the Northern System. With the real estate transfer contract no. 37244/ 05.06.2015, which is 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

6. It should be noted that any dismantling/removal of asbestos-containing materials from PPCs' facilities is carried out by companies licensed for this purpose.

7. In April 2018 the Environmental Terms for Klidi and Megalopolis Mines were issued. These mines belong to the two subsidiaries "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." respectively. At the beginning of January 2020, the Council of State announced the revocation of the Environmental Terms of SES Melitis, resulting in its temporary decommissioning. The approval of the new Environmental Terms was completed at the end of May 2020 and the SES has recurred to normal operation.

8. In June 2020 the Environmental Terms for Amyntaio Mine were issued.

   In addition to the environmental obligations arising from the Environmental Terms of the Power Stations and Mines, PPC in 2019 undertook voluntarily the dismantlement of all the Power Plants' and Mining facilities and removal of their equipment when these cease to operate, as well as the restoration of the land areas. For this liability, on December 31st, 2020, the relevant provisions are recognized amounting to Euro 427.6 mil., (December 31st, 2019: Euro 409.3 mil.) for the Group and the Parent Company and are included in the account "provisions" of the Statement of Financial Position as of December 31st, 2020. The above amount includes the land remediation cost and the cost of dismantling the units and mines of the two lignite subsidiaries, since most of the years they operated under the responsibility of the Parent Company (Note 32).

9. During March and May 2013, CO_2 emission licenses were issued for all 31 PPC's installations, for the 3rd implementation phase of the European Union Emissions Trading System (EU ETS phase III, from January 1st, 2013 to December 31st, 2020). In November 2015, the license of the Lignite Centre of Western Macedonia thermal station was revoked due to its decommissioning. In May 2017 the licenses of SES Ptolemaida and SES Agios Georgios thermal stations were revoked due to their decommissioning. In February 2018, the CO_2 emission license of the Power Plant in South Rhodes was issued. Following the establishment of subsidiaries LIGNITIKI MELITIS S.A. and LIGNITIKI MEGALOPOLIS S.A., SES Melitis belongs now to LIGNITIKI MELITIS S.A. SES Megalopolis A belongs to LIGNITIKI MEGALOPOLIS S.A. while SES Megalopolis B was separated in SES Megalopolis Unit IV, belonging to LIGNITIKI MEGALOPOLIS S.A. and in SES Megalopolis Unit V, belonging to the Parent Company PPC S.A. As a result of these modifications, PPC's bound installations (including the aforementioned installations of subsidiaries) amount to thirty (30).

   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 phase III, from January 1st, 2021 to December 31st, 2030). Due to the fact that SES Amyntaion has ceased operation as from September 1st, 2020, 29 emission licenses were issued (including the installations of subsidiaries).

INVESTMENTS

New 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, assigned to the company TERNA SA, the execution of the Project: "SES PTOLEMAIDA - Study, supply, transportation, installation and commissioning of a new Unit V of mixed capacity 660 MWel, with powder lignite fuel, and ability to generate thermal power 140 MWth for district heating", for a Contractual Consideration Euro 1,388 bil. Following the issuance of Supplement No. 1 and No. 2, the Total Contractual Consideration amounts to Euro 1,389 bil. Future contracted capital expenditures as of December 31st, 2020 amounted to Euro 148.3 mil. (Note 15).

Hybrid Project in Ikaria Island.
The Hybrid Energy Project in Ikaria "Naeras" of 6.85 MW total capacity, is an innovative project which was inaugurated on June 5th, 2019. Naeras combines the utilization of two renewable energy sources, Wind and Hydroelectric under a capacity of 9,8 MWh/year. The entire project has been connected to HEDNO's electricity network and operates since the beginning of 2019. The automatic operation of the Project is expected to be completed in the second quarter of 2021.

Research, Development and Exploitation of Geothermal potential.
PPC RENEWABLES S.A. has leased from the Greek State the Geothermal Research and Management rights of four (4) public mining sites: a) Milos-Kimolos-Polyagos, b) Nisyros, c) Lesvos and d) Methana. While maintaining the exclusive Research and Management rights, the subsidiary PPC RENEWABLES S.A. sought a Strategic Partner to co-exploit the geothermal potential of the above areas through an international tender. The submission of binding offers was completed in August 2018 and the "Highest Bidder" and the "Reserved Bidder" were announced in September 2018.

In March 2020, the competent Ministry of Environment and Energy approved the establishment of a subsidiary under the name "Geothermikos Stochos II S.A." by PPC Renewables S.A., which will undertake the development of geothermal power plants in these areas. Moreover, with article 103 of Law 4685/2020 (OG A 92/07.05.2020) the initial lease term was extended by five years.

Following the two above approvals (establishment of a subsidiary and extension of the lease term), the Board of Directors of PPC RENEWABLES S.A. decided at its meeting on June 25th, 2020, to declare the company HELECTOR S.A. as a "Preferred Partner". The agreement will be finalized after approval by the Competition Commission.

Biomass project in Amyntaio, Florina.
This project has been decided to be implemented through Strategic Partnership. The first phase of the international tender for the selection of a Strategic Partner for the project "Installation and Operation of a Biomass Combustion Plant for the production of electricity and thermal energy" in Amyntaio, Florina was completed in 2018. Since the organization of the second phase of the tender (Invitation to submit Binding Offers, RfP) did not proceed, it is under examination the cancellation of the tender and the implementation of the project by PPC Renewables SA by its own means, without the participation of a Strategic Partner. The planning includes cooperation with specialized departments of the Parent Company, such as the Directorate of Design & Construction of Thermal Power Plants of PPC (DCTPP) and the Directorate of the Lignite Center of Western Macedonia (LCWM).

Construction of Photovoltaic (PV) Plant by "ILIAKA PARKA DYTIKIS MAKEDONIAS ENA S.A." a 100% subsidiary of PPC Renewables S.A.
Construction works from the 100% subsidiary of PPCR, "ILIAKA PARKA DYTIKIS MAKEDONIAS ENA S.A.", for the PV Plant of 14.99MW capacity, with fixed tilt mounting structure, and the 20/150kV "Agios Christoforos" Substation, which will include a 20/25MVA power transformer, of a total contractual budget of Euro 9.7 mil. at "Paliampela" plot, in the regional unit of Kozani, have already began. It is expected that the semi-commercial operation of the PV Plant will start in July 2021. On December 31st, 2020 the total cost of the project amounted to Euro 2.3 mil.

Construction of Photovoltaic (PV) Plant by "ILIAKA PARKA DYTIKIS MAKEDONIAS DYO S.A." a 100% subsidiary of PPC Renewables S.A.
Construction works from the 100% subsidiary of PPCR, "ILIAKA PARKA DYTIKIS MAKEDONIAS DYO S.A.", for the PV Plant of 14.99MW capacity, with horizontal single-axis trackers, and the 33/150kV "Charavgi" Substation, which will include a 20/25MVA power transformer, of a total contractual budget of Euro 11.5 mil. at "Xiropotamos" plot, in the regional unit of Kozani, have already began. It is expected that the semi-commercial operation of the PV Plant will start in September 2021. On December 31st, 2020 the total cost of the project amounted to Euro 196 thousands.

Construction of Photovoltaic (PV) Plant by "ILIAKO VELOS ENA S.A."
The tender for the construction from the 100% subsidiary of PPCR, "ILIAKO VELOS ENA S.A.", of the PV Plant of 200MW capacity, with horizontal single-axis trackers, of an indicative budget of Euro 110.2 mil. at "Lignitiko Kentro Dytikis Makedonias" plot, in the Prefecture of Kozani, has been completed and a Provisional Contractor has been declared.

Construction of Photovoltaic (PV) Plants by "ARKADIKOS ILIOS I S.A." and "ARKADIKOS ILIOS II S.A."
The tender for the construction of the PV Plants of 39MW and 11MW capacity, from the 100% subsidiares of PPCR "ARKADIKOS ILIOS I S.A." and "ARKADIKOS ILIOS II S.A." respectively, with horizontal single-axis trackers, and a 33/150kV Substation, of an indicative budget of Euro 30.7 mil. , at "Megales Lakkes" plot, in the Prefecture of Arcadia is under the evaluation process for the declaration of a Provisional Contractor.

It should be mentioned that the company "ARKADIKOS ILIOS I S.A." will participate in the market with the respective PV Plant of 39MW capacity, within the Target Model context, through a bilateral Power Purchase Agreement (PPA), while the company "ARKADIKOS ILIOS II S.A." has ensured a Reference Price (FiP price) for the respective PV Plant of 11MW capacity, after its successful participation in RAE's competitive bidding process in July 2020.

Repowering of Wind Parks in Aegean Sea.
In December 2020, the reconstruction of W.P. Melanios in Chios Island of a total capacity of 2.7 MW was completed and was put into operation. The W.P. Vigla in Lemnos Island is expected to be completed until the end of the first semester of 2021.

Construction of the Wind Park Agia Triada in Pythagoreio Samos.
Within 2020 the 0.6 MW Wind Park Agia Triada in Pythagoreio Samos was completed and electrified.

Repowering of Wind Park in Monis Toplou Sitia Crete.
The Contract for the Study, Supply, Transportation, Installation and Commissioning of the new Wind Park of 6.0 MW total capacity is in progress for a contractual budget of €6.3 mil. The contract for the infrastructure projects was signed in May 2020 and the construction works of the Park have already started. The Building Permit was issued in January 2021 and as such the construction of the foundations is expected to start. Electrification is expected within the first half of 2021. On December 31, 2020 the total cost of the project amounted to Euro 4.5 mil.

Wind Park in Xerakias, Kefalonia.
The tender for the "Study, Supply, Transportation, Installation and Operation of one Wind Park at the location of Xerakias Dilinata of the Municipality of Kefalonia, region of Ionian Islands" is completed and a contractor of the Project has been declared. The new Wind Park will be of total installed capacity of 9.2 MW.

The construction of the Wind Park started in January 2021, which is expected to be completed by the end of April 2021. The total contractual budget amounts to Euro 11.8 mil., while on December 31, 2020 the total cost of the project amounted to Euro 6.4 million

Wind Park in Aera of Karditsa.
During 2018, a tender for the Study, Supply, Transportation, Installation and Commissioning of One (1) Wind Park at the locations of "Aera" of the Municipality of Mouzaki and "Afentiko" of the Municipality of Argithea and One (1) High Voltage Center 20/400 KV, Power 100 MVA of closed type with gas insulated equipment, at the location «Diaselo-Pr. Elias» of the Municipality of Mouzaki, Regional Unit of Karditsa, was completed fof a contractual budget of Euro 43 mil. The project will be of 27.6 MW total capacity. The construction began in February 2019 and the Semi-commercial operation is expected to begin in Q4 2021. On December 31, 2020, the total cost of the project amounted to Euro 35.6 mil.

Repowering of Small Hydroelectric Power Station (SHPS) Louros.
On July 9th, 2020, SHPP Louros was put into semi-commercial operation with initially limited capacity (5MW), until the renovation of the Louros Substation and the full absorption of the capacity of the SHPP (8.7MW).

On 09.11.2020 the semi-commercial operation was completed (for a duration of 4 months) and the commercial operation of the Project started, which is expected to last until 09.11.2021 (warranty period 12 months).

At the same time, the reconstruction works of the adjacent Louros Substation are under execution, with a power increase to 40/ 50MVA.

The new gate at Louros Substation (projects of HEDNO S.A.) concerning the Louros SHPP was activated on 05.12.2020 and SHPP was put into operation again on 07.12.2020, with favorable hydrological conditions and without the power restrictions of HEDNO S.A. During the current period, the works under the jurisdiction of IPTO S.A. are under execution (Digital Control System, Digital Frequencies, Wave Traps, etc.) at Louros Hydroelectric Station, the completion of which is expected by the second quarter of 2021.

Construction of Small Hydroelectric Power Plant (SHPP) Smokovo II.
The Contract for the Construction of the Smokovo II SHPP (3.2 MW), is in force since 17.10.2019 with a contractual budget of Euro 3.7 million. The total cost for the project on December 31, 2020 amounted to Euro 843 thousand.
During the current period, the installation works of the supply pipeline F1800 and the concreting of the escape duct, the adaptation hopper, the equipment wells and the building of SHPP are in progress.

The Electromechanical Equipment of the Project (Hydro Turbines, Electric Generators, Blades, Power Transformer, MT-XT Panels, etc.) has been constructed and temporarily stored in the engine room of SHPP Smokovo I, while the construction of the Connection Projects of SHPP to the Network is expected by HEDNO S.A. In total, the disbursements of the Project are close to 60% and its commissioning is expected in the third quarter of 2021.

Construction of Small Hydroelectric Power Plant (SHPP) Makrochori II.
The Contract for the Construction of SHPP Makrochori II is in force from 03.06.2020 with a contractual budget of Euro 7.4 mil. and during the current period, the Project Implementation Study is being prepared. The total cost of the project on December 31, 2020 amounted to Euro 89 thousand.

Repowering of Small Hydroelectric Power Station (SHPS) Vermio.
The tender for the renovation of SHPS Vermio of 1.96 MW capacity with a budget of Euro 4.05 mil. has been completed and the permanent contractor of the project has been declared. The contractualization of the Project is expected on the fourth quarter of 2021, in parallel with its licensing. During the current period, the Water Use License and the Final Connection Terms are under issuance, while the Installation and the Building Licenses are pending.

Tenders for new Wind Parks

Wind Park in Mamados Tinos.
The tender for the Design, Licensing, Supply, Transportation, Installation and commissioning of one (1) Wind Park with a total capacity of 4.5 MW in Mamados Position of the Municipal Community of Panormos, Municipality of Tinos, South Aegean Region, according to the decision of the Board of Directors of the subsidiary PPC Renewables 402/3/11.03.2021 was canceled.

International Partnerships with other Groups for the joint development of RES Projects.
In March 2020, Group signed a Memorandum of Understanding with RWE Renewables GmbH for the development of RES projects in Greece through PPC Renewables S.A., in the context of its lignite phase-out strategy and its broader turn in the field of renewable energy.

In February 2021, the Board of Directors of PPC S.A. approved the Head of Terms between PPC Renewables S.A. and RWE Renewables GmbH, for the joint contribution and development of photovoltaic stations with a total installed capacity of up to 2 GW through a joint venture (JVCo). The participation percentages in the joint investment scheme will be 51% for RWE Renewables GmbH and 49% for PPC Renewables S.A.

41. Financial Instruments and Financial Risk Management

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 instruments that are carried at amortized cost and their fair value:

	Carrying amount		Fair value	
Group	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Financial Assets				
Trade receivables	708,679	683,491	708,679	683,491
Restricted cash	58,702	67,752	58,702	67,752
Cash and cash equivalents	815,640	286,917	815,640	286,917
Financial Liabilities				
Long-term borrowings	4,027,255	3,928,312	4,027,255	3,928,312
Long- term financial liabilities from the securitization of trade receivables	123,465	–	123,465	–
Trade payables	1,428,758	1,689,234	1,428,758	1,689,234
Short- term financial liabilities from the securitization of trade receivables	11,688	–	11,688	–
Short-term borrowing	42,152	18,630	42,152	18,630

	Carrying amount		Fair value	
Parent Company	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Financial Assets				
Trade receivables	554,619	579,213	554,619	579,213
Restricted cash	52,803	67,752	52,803	67,752
Cash and cash equivalents	626,940	205,461	626,940	205,461
Financial Liabilities				
Long-term borrowings	2,405,718	3,884,469	2,405,718	3,884,469
Long-term financial liabilities from the securitization of trade receivables	123,465	–	123,465	–
Trade payables	1,171,262	1,523,818	1,171,262	1,523,818
Short- term financial liabilities from the securitization of trade receivables	11,688	–	11,688	–
Short-term borrowing	30,000	–	30,000	–

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

The fair value of property, plant and equipment (except mines, lakes and construction in progress which are valued at their cost less accumulated depreciation and impairment losses) is included in Level 3 of the fair value hierarchy.

As of December 31st, 2020, the Group and the Parent Company held the following financial instruments measured at fair value:

Financial Assets	Carrying amount		Fair value Hierarchy
	31.12.2020	31.12.2019	
Group			
Financial Assets at fair value through Other Comprehensive Income	866	1.251	Level 1
Derivative Financial Instruments	4.803	-	Level 1
Parent Company			
Financial Assets at fair value through Other Comprehensive Income	646	879	Level 1
Derivative Financial Instruments	4.803	-	Level 1

Financial Risk Management.

Fair Value

The amounts reflected in the accompanying balance sheets for cash, current assets and current liabilities approximate their respective fair values due to their short-term maturity.

The fair values of financial Assets at fair value through Other Comprehensive Income that are traded on stock markets are based on their quoted market prices at the balance sheet date.

The carrying values of long-term borrowing approximate their fair value as these loans are in local currency and mainly of floating interest rate.

For derivative financial instruments, their fair values are confirmed either by financial institutions with which the Group has entered into the relevant contracts or on the basis of their stock prices of the derivative futures market.

Interest rate risk and foreign currency risk.

The Group's and the Parent Company's debt obligations consist of bank loans, bonds and overdraft facilities. It is the Group's and the Parent Company's policy to have a balanced distribution of the loan portfolio between fixed and floating 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 rates and/or foreign currency exchange rates affecting their debt portfolio. As of December 31st, 2020 no derivative transactions exist for loans or debt hedging.

Furthermore, the fluctuation of the Euro against the U.S. dollar exchange rate may adversely impact the prices of the Parent Company's liquid fuel purchases (diesel and heavy fuel oil). As oil prices are expressed 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, on a case by case basis and according to the prevailing market liquidity circumstances, hedging transactions for this risk. It should be noted that any undertaken hedging transactions may not provide full or adequate protection against these risks.

The following table presents the sensitivity analysis to pre-tax income from reasonable possible interest rate fluctuations with the other variables remaining fixed, through the effect on existing floating rate borrowing (in millions of Euro):

	Increase / Decrease in basis points (%)	Effect on profit before tax (Group)	Effect on profit before tax (Company)
2020			
Euro	50	(10.8)	(10.8)
Euro	(50)	10.8	10.8
2019			
Euro	50	(10.43)	(10.42)
Euro	(50)	10.43	10.42

Liquidity Risk.

The Group and the Parent Company face liquidity risk, which may result in additional working capital requirements, due to a number of factors relating to their ability to timely collect from their customers, including:

- Delays in the payment or non-payment of energy bills, which may increase if economic conditions in Greece deteriorate.
- The obligation to pay the Renewables special levy, the special consumption tax on electricity, as well as VAT when due, irrespective of whether relevant amounts have been collected from the Group's and the Parent Company's customers.
- The burden associated with the collection of taxes and levies that are not related to the sale of electricity such as municipal taxes and levies that are currently collected through electricity.
- The increase of Vulnerable customers, such as families with low income, long-term unemployed, people with special needs and people on life support, who are entitled to lower tariffs.
- Incidents of electricity theft and unauthorized reconnection of electricity supply in cases of electricity disconnection due to customer defaults.

In addition, the Group's and the Parent Company's ability to manage their working capital requirements and liquidity risk depends, in part, on maintaining positive working relationships with their suppliers. If they are unable to maintain current working arrangements with their suppliers, working capital requirements could materially increase and result in increased liquidity risk, which may have a material adverse effect on their business, financial condition and results of operations.

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 that could have a significant effect on their liquidity.
The contractual maturities of the main financial liabilities (borrowings), not including interest payments are as follows:

(In mil. Euro)	On demand	3 months	3 to 12 months	≥ 1 to 5 years	> 5 years	Total
Year ended 31 December 2019 (Group)						
Overdraft facilities	–	18.63	–	–	–	**18.63**
Short term borrowings	–	–	–	–	–	
Long term borrowings	–	154.38	279.1	2,603.41	986.9	**4,023.79**
	–	**173.01**	**279.1**	**2,603.41**	**986.9**	**4,042.42**
Year ended 31 December 2020 (Group)						
Overdraft facilities	–	39.88	2.28	–	–	**42.16**
Short term borrowings	–	–	–	–	–	**–**
Long term borrowings	–	146.28	416.95	2,563.47	982.08	**4,108.78**
	–	**186.16**	**419.23**	**2,563.47**	**982.08**	**4,150.94**
Year ended 31 December 2019 (Company)						
Overdraft facilities	–	–	–	–	–	**–**
Short term borrowings	–	–	–	–	–	**–**
Long term borrowings	–	154.38	278.19	2,590.58	954.44	**3,977.59**
	–	**154.38**	**278.19**	**2,590.58**	**954.44**	**3,977.59**
Year ended 31 December 2020 (Company)						
Overdraft facilities	–	30	–	–	–	**30**
Short term borrowings	–	–	–	–	–	**–**
Long term borrowings	–	146.28	416.95	2,539.46	909.59	**4,012.3**
	–	**176.28**	**416.95**	**2,539.46**	**909.59**	**4,042.3**

The instability in the Greek Banking Sector may affect Group's ability to receive financing and increase its cost of debt.

A significant part of the loans and credits of the Group and the Parent Company is provided by the Greek banking sector. The ability of Greek banks to continue to provide lending support depends, among other factors, on their capitalization and ability to access international financial markets or on their ability to receive liquidity support from the ECB or the Bank of Greece. The ability of the Greek banking system to seek financing from the international banking system and the capital markets may continue to be a risk for the financing of the Group and the Parent Company, which may have significant adverse effects on their business, their financial position and their results of operation.

Market risk

Parent Company

The following analysis is provided on the effect of a fluctuation in the price units of liquid fuels, natural gas, CO_2 and system marginal price.

	Heavy fuel oil (tones)	Diesel (klit)	Natural Gas (m3)	CO_2 (tones)	System Marginal Price (MW/h)
Change in price unit	+ 1 € (+ one Euro)	+ 1 € (+ one Euro)	+ 0.01 € (+ one Cent of Euro)	+ 1 € (+ one Euro)	+ 1 € (+ one Euro)
Impact	€743 thousands	€153 thousands	€16.8 mil.	€11.3 mil.	€15.4 mil.

The fluctuation in the exchange rate of $/€ by 5 ¢ of the dollar is estimated that will affect the expenditure on liquid fuels and natural gas as well as the pre-tax results for the year 2021 by Euro 19 mil. The estimation on the annual CO_2 emission allowances for the year 2021 is 11.3 mil t.

GROUP

The following analysis is provided on the effect of a fluctuation in the price units of liquid fuels, natural gas, CO_2 and system marginal price.

	Heavy fuel oil (tones)	Diesel (klit)	Natural Gas (m3)	CO_2 (tones)	System Marginal Price (MW/h)
Change in unit price	+ 1 € (+ one Euro)	+ 1 € (+ one Euro)	+ 0.01 € (+ one Cent of Euro)	+ 1 € (+ one Euro)	+ 1 € (+ one Euro)
impact	€743 thousands	€159 thousands	€16.8 mil.	€14 mil.	€13.5 mil.

The fluctuation in the exchange rate of $/€ by 5 ¢ of the dollar is estimated that will affect the expenditure on liquid fuels and natural gas as well as the pre-tax results for the year 2021 by Euro 19 mil. The estimation on the annual CO_2 emission allowances for the year 2021 is 14 mil t.

The purchased CO_2 emission allowances for the Group amount to Euro 6.7 mil. t. with an average price of Euro 30.96/t.

Therefore, 7.3 mil. t. are required to be purchased in order to cover Group's needs.,

The change in the purchase price of new CO_2 emission allowances by +/- €1.0 / t changes the relevant expenditure by approximately Euro 7.3 million.

Progression of net debt ratio.

The Group's net debt/equity ratio is as follows:

	2020	2019
Long-term borrowing	3,480,453	3,510,961
Current portion of long-term borrowing	546,802	417,351
Short-term borrowing	42,152	18,630
Cash	(815,640)	(286,917)
Pledged deposits	(53,535)	(64,847)
Financial assets measured at fair value through other comprehensive income	(866)	(1,251)
Unamortized portion of loans' issuance fees	84,235	93,120
TOTAL	**3,283,601**	**3,687,047**
Shareholders' equity	**3,085,166**	**3,040,592**
Net debt/equity ratio	**106%**	**121%**

It is noted that the deducted amounts of the pledged deposits in the above table refer only to pledged deposits related to loan agreements.

In long-term borrowing, as presented above, the unamortized portion of loan issuance fees of Euro 84 mil., approximately is not included (2019: Euro 93 mil. approximately) (Note 30).

42. Leases

Leases: the Group and the Parent Company as Lessee.

The Group and the Parent company have signed contracts for the lease of property, transportation assets, other equipment and vessels that they use for their activity. Part of the leases of transportation assets and other equipment fall under the recognition exemption as they concern either short-term leases or low-value leases. Property leases relate to leases with a lease term between 2 and 10 years, while time-chartered vessels concern leases with a lease term 18 to 24 months.

Lease liabilities are secured by the lessor's title deeds. There are contracts that include terms for extension or early termination of the lease and terms for an increase in lease payments based on the consumer price index (variable lease payments).

The cost of right-of-use assets and the value of the financial lease liabilities of the right-of-use assets as well as their movement during the year ended on December 31st 2020 and December 31st 2019 are as follows:

GROUP

ASSETS	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION ASSETS	VESSELS	TOTAL
01.01.2019	**58,243**	**4,630**	**6,751**	**11,928**	**81,552**
Additions	2,219	1,937	350	3,914	8,421
Reductions	(155)	–	–	–	(155)
Depreciation expense	(9,173)	(3,486)	(904)	(9,061)	(22,624)
31.12.2019	**51,134**	**3,080**	**6,197**	**6,782**	**67,193**
Additions	7,730	5,223	787	9,524	23,263
Reductions	(3,925)	–	(96)	–	(4,021)
Depreciation expense	(9,225)	(3,381)	(1,970)	(7,285)	(21,861)
31.12.2020	**45,714**	**4,922**	**4,918**	**9,021**	**64,575**

LIABILITIES					
01.01.2019	**57,624**	**4,630**	**6,751**	**11,928**	**80,933**
Additions	2,219	1,937	350	3,915	8,421
Early termination	(157)	–	–	–	(157)
Finance cost	2,388	183	83	460	3,115
Payments	(10,645)	(3,618)	(956)	(9,400)	(24,620)
31.12.2019	**51,428**	**3,132**	**6,229**	**6,903**	**67,691**
Additions	6,319	4,458	768	9,524	21,069
Early termination	(2,573)	765	(26)	–	(1,834)
Finance cost	2,171	157	252	307	2,888
Payments	(10,557)	(3,543)	(2,119)	(7,606)	(23,825)
31.12.2020	**46,789**	**4,968**	**5,105**	**9,128**	**65,990**

LIABILITIES 31.12.2019					
Current	8,378	2,643	1,644	5,657	18,322
Non-Current	43,050	488	4,585	1,246	49,369

LIABILITIES 31.12.2020					
Current	8,017	2,443	1,628	5,703	17,791
Non-Current	38,772	2,525	3,477	3,424	48,198

In the following table contractual maturities of the Group's lease liabilities as of December 31st, 2020 are presented:

	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION ASSETS	VESSELS	TOTAL
Up to 12 months	8,772	2,448	1,628	5,993	**18,841**
1 to 5 years	26,626	2,526	3,477	3,490	**36,119**
More than 5 years	14,020	–	–	–	**14,020**

PARENT COMPANY

ASSETS	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION ASSETS	VESSELS	TOTAL
01.01.2019	**35,830**	**2,346**	**958**	**11,928**	**51,062**
Additions	974	1,937	350	3,914	7,176
Reductions	(155)	–	–	–	(155)
Depreciation expense	(5,270)	(2,023)	(644)	(9,061)	(16,999)
31.12.2019	**31,379**	**2,260**	**664**	**6,782**	**41,084**
Additions	1,636	600	730	9,524	12,490
Reductions	(743)	–	–	–	(743)
Depreciation expense	(5,398)	(1,903)	(799)	(7,285)	(15,385)
31.12.2020	**26,874**	**957**	**595**	**9,021**	**37,447**

PARENT COMPANY					
ASSETS	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION ASSETS	VESSELS	TOTAL
LIABILITIES					
01.01.2019	**35,830**	**2,346**	**958**	**11,928**	**51,062**
Additions	974	1,937	350	3,915	7,176
Early termination	(157)	–	–	–	(157)
Finance cost	1,560	117	36	460	2,172
Payments	(6,015)	(2,103)	(670)	(9,400)	(18,189)
31.12.2019	**32,192**	**2,296**	**674**	**6,903**	**42,065**
Additions	1,636	601	730	9,524	12,491
Early termination	(778)	0	0	0	(778)
Finance cost	1,419	69	32	307	1,827
Payments	(6,206)	(1,990)	(832)	(7,606)	(16,634)
31.12.2020	**28,263**	**976**	**604**	**9,128**	**38,971**
LIABILITIES 31.12.2019					
Current	4,762	1,808	554	5,657	12,780
Non-Current	27,430	488	120	1,246	29,284
LIABILITIES 31.12.2020					
Current	4,910	898	485	5,703	11,996
Non-Current	23,353	78	119	3,425	26,975

In the following table contractual maturities of the Parent Company's lease liabilities as of December 31st, 2020 are presented:

	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION ASSETS	VESSELS	TOTAL
Up to 12 months	5,664	903	485	5,993	**13,045**
1 to 5 years	16,469	78	119	3,490	**20,156**
More than 5 years	8,759	–	–	–	**8,759**

The amounts recorded in the Statement of Income are as follows

Group	31.12.2020	31.12.2019
Rights in use assets depreciation expense	21,861	22,624
Finance cost	2,888	3,115
Short term lease expenses	5,759	5,711
Low value lease expenses	1,626	225
TOTAL	**32,134**	**31,675**

PARENT COMPANY	31.12.2020	31.12.2019
Right in use assets depreciation expense	15,385	16,999
Finance cost	1,827	2,172
Short term lease expenses	5,620	4,771
Low value lease expenses	425	98
TOTAL	**23,257**	**24,040**

The Group and the Parent company paid for leases in 2020 a total amount of Euro 31,210 and Euro 22,679 respectively.

The Group and the Parent Company have the right for some leases, to extend the duration of the lease or the option to terminate the contract. The Group and the Parent Company assess whether there is reasonable certainty that the relevant right will be exercised, taking into account all the factors that create financial incentive, to exercise the right of renewal or termination.

The Group and the Parent Company on December 31, 2020 from the evaluation they made, concluded that for all lease agreements that give the right of extension, except for the lease of house agreements, they will exercise this right, while for all contracts that have the option to terminate the contract, they will not exercise this option.

Lease contract of the former camp "PLESSA MICHAEL".

In March 2020 the Parent Company's Board of Directors decided the establishment of the 100% subsidiary "PPC Project Mesogeion Sole Shareholder Company S.A." whose purpose is the implementation of the lease contract of the former camp "PLESSA MICHAEL" which was awarded to PPC S.A. by the National Defense Fund (NDF) after a public tender and generally, the undertaking of the best possible way of its use and exploitation, the necessary, according to the tender, demolition of existing buildings and construction of new ones as well as the relocation of PPC's Services to it.

On July 3rd, 2020, PPC signed the above-mentioned lease contract with a lease term of 50 years with the option of 10 years extension and an annual lease payment of Euro 2.7 mil. which will be adjusted every five years based on the consumer price index. Also, due to the substantial costs that will be required for the reconstruction and relocation of the Camp Units, PPC has the right not to pay rentals in the first year of the lease, while for the next four years of the lease has the right to pay 50% of the rental.

The lessor will obtain the ownership of the new building after the termination of the lease or after the end of the lease term. The Right-of-Use due to lease will be recognized in the financial statements, upon completion of the relocation of the Camp Units, as the Camp is not available for use by the Parent Company, while its delivery cannot exceed the 12 months from the signing of the lease contract.

The relevant Right-of-Use will be equal to the financial lease liability of the Right-of-Use plus the initial rental cost. It is estimated to be of Euro 58 mil. approximately, taking into account the 50 years lease term and the option of extension and that it will be recognized in the financial statements upon the completion of the relocation of the Units and the delivery of the leased space.

As at December 31st, 2020, the Group's outstanding commitments for minimum future lease payments under non-cancellable operating leases approximate the current year's lease expenses, which are not expected to change significantly during the next years.

Operating lease payments represent mainly rentals payable by the Group for its offices, machinery, land, transportation assets and other equipment. Offices' rentals are fixed for an average term of twelve years, while rentals for machinery and transportation assets are fixed for an average term of one and three years, respectively.

43. Derivative Financial Instruments

A. Hedging Transactions.

In the ordinary course of business, as a vertically integrated electricity company, 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 commodity price fluctuations. Their generation business is exposed to the fluctuations of natural gas, oil and CO_2 emission rights prices which are traded in international commodity markets.

The Group's and Parent Company's exposure to wholesale electricity market risk is determined by its net exposure, i.e. the quantity of energy required to cover its supply needs that cannot be covered by own injection of electricity into the system cross-border imports, RES, etc. and therefore should be purchased from the wholesale market. Hence, any change in both the Group's and the Parent Company's commercial and generation portfolio results in a fluctuating net exposure and consequently, as their supply market share is larger than their generation market share, rising wholesale electricity prices might have a material adverse effect in their results of operations and financial condition.

Furthermore, the price of natural gas significantly affects generation costs as well as the price at which the Parent Company purchases wholesale electricity.

To hedge the risks of future fluctuations in gas prices, the Group and the Parent Company entered into over-the-counter bilateral gas price swap agreements with a financial institution with settlement dates within 2021 and until December 31st, 2021. These contracts cover 9.7% of the Group's open position in the Title Transfer Facility (TTF) for 2021 (Dec. 2020 estimate).

To hedge the risks of future fluctuations in electricity prices, the Group and the Parent Company entered into stock exchange type energy contracts with counterparties operating in the European Energy Exchange (EEE) with a reference price to the Greek Energy market with settlement dates within 2021 and until December 31st, 2021. On December 31st, 2020, the Group and the Parent Company owned the following financial hedging instruments:

Hedging Instruments	Position	Nominal quantity (MWh)	Position's Nominal price in 000'€	Average price (€/Mwh)	Short Term Asset
Gas commodity swaps	Buy	876,000	13,424	15,32	1,402
Electricity commodity swaps	Buy	788,400	40,370	51,21	3,402
					4,803

In addition, the Group and the Parent Company in order to hedge the risks of future fluctuations in electricity prices entered into futures contracts with the Hellenic Energy Exchange (Henex) and the European Energy Exchange (EEE) with reference price to the Greek Energy Market and with settlement dates within 2021 and until December 31st, 2021, which are analyzed as follows:

Hedging Instruments	Position	Nominal quantity (MWh)	Position's Nominal price in 000'€	Average price (€/Mwh)	Short Term Asset
Electricity Commodity Futures	Buy	249,048	15,011	60,27	661

With all the above contracts for electricity (swaps, futures), the 13% of the estimated needs for the purchase of electricity (future highly probable transactions) of 2021 are covered.

All cash flow hedging transactions are considered to be effective.

The total change in their fair value amounts to pre-tax income of Euro 5.5 million and is included in Other Reserves as "Reserve from Hedging activities" (Note 28) through the Statement of Comprehensive Income as of December 31st, 2020.

The valuation of the above swap agreements on electricity and natural gas prices and futures contracts on electricity prices, was carried out based on the prices provided by financial institutions with which the Group has entered into the relevant contracts or based on their stock prices in the derivative futures market.

B. Transactions for speculative purposes.

The Parent Company, in the context of its new business activity as a Special Trader (Market Maker) in the Derivatives Market of the Hellenic Stock Exchange, which started its operation in 2020, has made transactions for speculative purposes. From these transactions, the Parent Company recorded profits of €48 thousand and are included in the financial income of the Income Statement as of December 31st, 2020.

44. Subsequent Events

In addition to those presented in other notes, the following events occurred from December 31st, 2020 until the date of approval of the Financial Statements:

Loan Issuance- Repayment of Loans.

Within the period 01.01.2021-20.04.2021, the Parent Company drawn an amount of Euro 1.2 mil. from a Bond Loan of a total line of Euro 680 mil. to finance part of the construction cost of the new Lignite plant "Ptolemaida V" with a consortium of foreign banks supported by the German Export Credit Insurance Agency "Euler Hermes".

Within the period 01.01.2021- 20.04.2021, the Parent Company proceeded to debt repayments of loan installments amounting to Euro of Euro 721.3 mil. including the amount of a) Euro 37.5 mil. as prepayment of debt from the drawdown of Euro 150 mil. due to the securitization of trade receivables and b) Euro 575 mil. as prepayment of debt from raising Euro 775 mil. from the issuance of Senior Notes.

Memorandum of Understanding between PPC S.A. and LeasePlan Hellas.

In March 2021, PPC and LeasePlan Hellas signed a Memorandum of Understanding (MOU) in order to contribute to the promotion of e-mobility in Greece based on the products and services that each have in its Sector. The Memorandum of Understanding aims to increase the lease of electric vehicles and the strengthening of the charging infrastructure through the encouragement of the customers of both companies.

Issuance of Sustainability-Linked Senior Notes due 2026.

The Parent Company raised on March 18th, 2021, through the Offering of senior notes with a sustainability clause, an amount of Euro 650 mil., at a coupon price of 3.875%, maturity in 2026 and with an issue price of 100%. The Notes were issued pursuant to Article 59, paragraph 2, and Article 74 of Greek law 4548/2018, and Article 14 of Greek law 3156/2003, are governed by New York law and are listed on the Official List of Euronext Dublin. The proceeds from the sustainability-linked senior notes were used for repayment of existing debt, for general corporate purposes and to pay the costs and expenses related to the Offering.

On March 24, 2021, through an additional Offering of senior notes with a sustainability clause, the Parent Company raised an amount of Euro 125 mil., at a coupon price of 3.875%, maturity in 2026, with an issue price of 100.75% and an implied yield of 3.672%, which corresponds to savings of 0.205 % compared to the initial coupon.

The New Notes are governed by the same terms and conditions as the senior notes with a sustainability clause of a total value of €650 mil. ("Existing Notes"), unless otherwise provided in the terms of the new Notes, and constitute an issue of the same class notes, and under the same program ("fungible notes") with the Existing Notes in every aspect including, indicatively and not restrictively, waivers, amendments, redemptions and offers to purchase. Proceeds from the Offer were used to repay an existing loan.

New Collective Labour Agreement.

At the meeting of the Board of Directors of the Parent Company on March 23rd, 2021, a new three-year Collective Labour Agreement ("CLA") was approved and signed on March 24th, 2021 with the representatives of GENOP/PPC-KHE and the First-level Unions for the period 2021-2024. The CLA includes institutional and wage arrangements and mainly defines the conditions of employment through work at home. The total additional cost for the Group during the three years reaches approximately Euro 78 mil.

Securitization of trade receivables overdue more than 90 days from the sale of electricity.

The Parent Company on April 9th, 2021 signed the securitization agreements for trade receivables overdue more than 90 days, with a capital raising of up to Euro 325 mil. This Program is with non-recourse to PPC and is backed by a portfolio of customer trade receivables under active and non-active contracts with one or more receivables over 90 days past due. The program has a total duration of 5 years and includes a 2 years revolving period and a period of 3 years during which the capital will be repaid from the proceeds of the above receivables (self-amortizing period). Servicer in the transaction is PPC S.A., while Qualco S.A. will act as a Sub-Servicer. The organizer of the transaction is Deutsche Bank, with investors Carval Investors, Deutsche Bank AG and funds managed by PIMCO. The Issuer of the transaction will be PPC Zeus DAC.

Signing of a Bond Loan Agreement by Iliaka Parka Dytikis Makedonias 1 S.A., 100% subsidiary of PPC Renewables S.A.

Iliaka Parka Dytikis Makedonias 1 S.A., a 100% subsidiary of PPC Renewables S.A., signed on 08.04.2021 a loan agreement for an amount of Euro 8.7 mil. in the form of a Greek bond loan related to the construction of a 15MW PV park in Ptolemaida, a prefecture in Kozani, a region in Northern Greece. This tranche is part of a broader financing arrangement to construct a PV portfolio of 230 MW total installed capacity in this area. Within the context of the financing, National Bank of Greece S.A. and Eurobank S.A. are acting as Bondholders, while the European Investment Bank has been provided the right to also participate in the financing scheme for the total portfolio of 230MW.

APPENDIX I

Unbundled Financial Statements

Under the provisions of L.4001/2011
and the approved methodology of
the Regulatory Authority for Energy.

System Integration Unbundled Balance Sheets
December 2020 (expressed in million euro)

	ADMINISTRATION		MINES		GENERATION		DISTRIBUTION NETWORK		SUPPLY		ELIMINATIONS		TOTAL PPC	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
ASSETS														
NON-CURRENT ASSETS														
Tangible Assets	76.0	429.4	264.6	422.1	4,965.0	4,463.2	4,594.2	4,792.5	26.4	36.4	(4,536.0)	74.2	5,390.1	10,217.7
Intangible Assets	2.9	3.8	0.6	17.7	82.4	56.7			1.7	3.7	0.1	(16.9)	87.6	65.1
Investments in subsidiaries	231.7	221.2									(10.1)		221.6	221.3
Investments in associates		1.0												1.0
Available for sale financial assets	0.6	0.8									0.1	0.1	0.6	0.9
Deferred tax assets										591.6	761.1	(393.7)	761.1	197.9
Other non-current assets	(6.1)	7.8	1.4		102.8	101.2			0.3		(82.4)	(88.8)	16.0	20.1
Administration non-current assets	(305.1)	(664.0)	38.8	40.9	150.2	488.3	92.1	116.6	14.0	16.1	10.0	2.1		
TOTAL NON-CURRENT ASSETS	**0.0**	**0.0**	**305.4**	**480.7**	**5,300.3**	**5,109.4**	**4,686.4**	**4,909.1**	**42.3**	**647.9**	**(3,857.3)**	**(423.2)**	**6,477.1**	**10,723.9**
CURRENT ASSETS														
Materials, spare parts and supplies, net	8.5	8.3	20.6	37.2	431.1	526.9					(5.0)	(41.4)	455.2	530.9
Trade receivables, net	(252.7)	36.8	17.2	1.9	345.8	378.4	123.1	77.0	1,700.4	1,516.4	(1,001.9)	(1,006.3)	931.9	1,004.1
Other receivables, net		56.8						(3.8)		(10.6)	(0.0)	(1.4)		40.9
Other current assets	80.0	10.0	1.2	4.5	21.0	82.6	33.7	18.2	9.0	10.1	69.9	69.2	214.7	194.5
Cash and cash equivalents			23.7	30.1	219.9	150.1	25.7	75.0	495.6	117.9	(85.1)	(99.9)	679.7	273.2
Administration current assets	164.3	(111.8)	1.3	1.3	11.2	10.5	(13.4)	1.2	(163.4)	98.7				
Assets held for sale											4,563.4		4,563.4	
TOTAL CURRENT ASSETS	**0.0**	**0.0**	**63.9**	**75.0**	**1,029.2**	**1,148.4**	**169.0**	**167.6**	**2,041.6**	**1,732.5**	**3,541.2**	**(1,079.8)**	**6,844.9**	**2,043.7**
TOTAL ASSETS	**0.0**	**0.0**	**369.3**	**555.7**	**6,329.5**	**6,257.8**	**4,855.4**	**5,076.6**	**2,083.9**	**2,380.4**	**(316.1)**	**(1,502.9)**	**13,322.0**	**12,767.6**
EQUITY AND LIABILITIES														
EQUITY														
Share Capital			76.7	76.7	296.2	296.2	181.2	181.2	21.2	21.2			575.4	575.4
Share Premium			14.7	14.7	56.8	56.8	34.7	34.7	0.4	0.4			106.7	106.7
Legal reserve	22.7	22.7	15.3	15.3	55.8	55.8	34.1	34.1	0.3	0.3			128.3	128.3
Fixed assets' statutory revaluation surplus included in share capital			(141.3)	(141.3)	(498.1)	(498.1)	(304.9)	(304.9)	(3.1)	(3.1)			(947.3)	(947.3)
Revaluation surplus	68.4	68.6	278.7	339.9	2,369.7	2,379.9	1,840.9	1,842.2	28.3	28.4	(8.5)		4,594.4	4,659.0
Other Reserves	(42.9)	(42.7)	14.7	5.1	51.4	36.5	30.2	30.2	0.9	(2.5)	2.4		51.9	26.6
Retained earnings	85.8	93.2	(1,653.7)	(1,420.6)	(2,174.6)	(1,991.5)	429.1	406.2	1,584.9	1,113.6	(52.0)	(63.8)	(1,780.5)	(1,862.8)
Administration equity	(134.0)	(141.9)	18.7	19.2	79.8	83.3	32.6	33.2	2.8	2.9		3.4		
TOTAL EQUITY	**0.0**	**(0.0)**	**(1,376.2)**	**(1,091.0)**	**237.0**	**418.9**	**2,278.1**	**2,257.1**	**1,635.8**	**1,161.3**	**(45.9)**	**(60.4)**	**2,728.8**	**2,685.8**
NON-CURRENT LIABILITIES														
Interest bearing loans and borrowings			92.1	387.0	1,975.3	1,823.0	1,375.4	1,325.5	9.0	9.5	(1,443.2)	(77.9)	2,008.6	3,467.1
Post retirement benefits	84.1	84.1	19.6	35.6	17.9	42.7			7.8	13.3			129.4	175.8
Provisions	34.7	39.3	241.3	224.6	317.6	323.6			152.1	147.7		1.8	745.7	737.0
Deferred tax liability	(929.1)	(437.1)	110.1	117.2	621.6	654.2	591.8	59.5	(591.8)		197.4	(393.7)		
Deferred customers' contributions and subsidies		(0.1)			110.4	124.4	1,860.5	1,889.4			(1,415.0)	504.1	556.0	2,517.8
Other non-current liabilities	15.9	17.2	(0.3)	1.4	5.3	65.9	9.0		1,003.9	825.3	(332.4)	(909.8)	701.4	
Administration non-current liabilities	794.5	296.6	(154.2)	(67.8)	(494.1)	(87.9)	(91.3)	(88.7)	(54.9)	(52.8)		0.7		
TOTAL NON-CURRENT LIABILITIES	**(0.0)**	**(0.0)**	**308.6**	**698.0**	**2,554.1**	**2,945.9**	**3,745.3**	**3,185.7**	**526.1**	**942.9**	**(2,993.1)**	**(874.8)**	**4,141.0**	**6,897.8**
CURRENT LIABILITIES														
Trade and other payables	44.0	82.1	205.9	243.2	196.4	214.2	172.0	111.7	1,568.6	1,689.7	(1,003.9)	(817.0)	1,183.0	1,523.8
Short – term borrowings			1.7		28.1				0.2				30.0	
Current portion of interest bearing loans and borrowings			19.8	42.2	403.8	216.6	149.7	171.4	1.9	15.2	(166.1)	(15.2)	409.1	430.1
Dividends payable														
Income taxes payable	6.3	4.2	21.5	21.5	30.5	30.5		2.1	5.5	5.5			63.8	63.8
Accrued and other current liabilities	62.9	58.4	0.6	(0.6)	481.2	552.0		(0.1)	328.6	290.3	(48.0)	(172.7)	825.2	727.4
Derivatives Liability												438.9		438.9
Total Current Liabilities from discontinued operations											3,941.2		3,941.2	
Administration current liabilities	(113.1)	(144.7)	5.6	7.8	1.6	6.4	5.3	6.5	100.5	124.1				
TOTAL CURRENT LIABILITIES	**0.0**	**(0.0)**	**255.1**	**314.1**	**1,141.6**	**1,019.7**	**327.0**	**291.6**	**2,005.3**	**2,124.7**	**2,723.1**	**(566.1)**	**6,452.2**	**3,184.0**
Other movements between activities			1,181.8	634.5	2,396.7	1,871.6	(1,495.1)	(657.7)	(2,083.2)	(1,848.5)				
TOTAL LIABILITIES AND EQUITY	**(0.0)**	**0.0**	**369.3**	**555.7**	**6,329.5**	**6,257.8**	**4,855.4**	**5,076.6**	**2,083.9**	**2,380.4**	**(316.1)**	**(1,502.9)**	**13,322.0**	**12,767.6**

Interconnected System Unbundled Balance Sheet December 2020 (expressed in million euro)	MINES		GENERATION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
ASSETS										
NON-CURRENT ASSETS										
Tangible Assets	264.6	422.1	3,815.4	3,317.0	3,857.8	4,034.5	24.3	32.9	7,962.0	7,806.5
Intangible Assets	0.6	17.7	77.9	32.0			0.6	2.5	79.1	52.1
Investments in subsidiaries										
Available for sale financial assets										
Deferred tax assets								506.6		506.6
Other non-current assets	1.4		102.2	101.2			0.2		103.8	101.2
Administration non-current assets	38.8	40.9	117.0	447.2	84.3	104.9	12.1	14.1	252.2	607.1
TOTAL NON-CURRENT ASSETS	**305.4**	**480.7**	**4,112.5**	**3,897.4**	**3,942.0**	**4,139.4**	**37.3**	**556.1**	**8,397.2**	**9,073.5**
CURRENT ASSETS										
Materials, spare parts and supplies, net	20.6	37.2	227.9	319.1					248.5	356.3
Trade receivables, net	17.2	1.9	250.2	306.5	108.3	65.7	1,274.7	1,278.0	1,650.4	1,652.0
Other receivables, net						(2.3)		(16.7)		(19.0)
Other current assets	1.2	4.5	(59.7)	146.1	29.7	14.0	(10.2)	(2.4)	(39.0)	162.2
Cash and cash equivalents	23.7	30.1	152.0	122.5	23.3	67.6	329.1	85.4	528.0	305.6
Administration current assets	1.3	1.3	5.9	5.2	(11.7)	0.9	(151.7)	85.9	(156.2)	93.2
TOTAL CURRENT ASSETS	**63.9**	**75.0**	**576.2**	**899.4**	**149.6**	**145.9**	**1,441.9**	**1,430.1**	**2,231.6**	**2,550.3**
TOTAL ASSETS	**369.3**	**555.7**	**4,688.7**	**4,796.7**	**4,091.6**	**4,285.2**	**1,479.2**	**1,986.2**	**10,628.8**	**11,623.9**
EQUITY AND LIABILITIES										
EQUITY										
Share Capital	76.7	76.7	228.6	228.6	158.1	158.1	18.5	18.5	481.9	481.9
Share Premium	14.7	14.7	43.8	43.8	30.3	30.3	0.4	0.4	89.2	89.2
Legal Reserve	15.3	15.3	43.1	43.1	29.8	29.8	0.3	0.3	88.5	88.5
Fixed assets' statutory revaluation surplus included in share capital	(141.3)	(141.3)	(384.4)	(384.4)	(265.7)	(265.7)	(2.9)	(2.9)	(794.3)	(794.3)
Revaluation surplus	278.7	339.9	1,724.0	1,734.6	1,555.7	1,556.8	26.1	26.1	3,584.4	3,657.4
Other Reserves	14.7	5.1	38.4	28.7	26.4	26.4	0.8	(2.2)	80.2	57.9
Retained earnings	(1,653.7)	(1,420.6)	(2,525.9)	(2,168.2)	419.3	389.8	723.2	359.5	(3,037.1)	(2,839.5)
Administration equity	18.7	19.2	61.8	64.3	28.7	29.2	2.2	2.3	111.6	115.0
TOTAL EQUITY	**(1,376.2)**	**(1,091.0)**	**(770.5)**	**(409.4)**	**1,982.4**	**1,954.6**	**768.6**	**401.9**	**604.3**	**856.1**
NON-CURRENT LIABILITIES										
Interest bearing loans and borrowings	92.1	387.0	1,613.4	1,525.3	1,166.6	1,140.2	8.2	8.4	2,880.3	3,061.0
Post retirement benefits	19.6	35.6	20.6	36.8	(0.3)		5.5	10.5	45.4	82.9
Provisions	241.3	224.6	278.3	288.6	(0.1)	(0.1)	143.2	139.2	662.7	652.2
Deferred tax liability	110.1	117.2	461.5	488.7	508.4	55.5	(506.8)		573.2	661.4
Deferred customers' contributions and subsidies			110.4	124.3	1,615.4	1,640.1	(0.0)		1,725.8	1,764.4
Other non-current liabilities	(0.3)	1.4	79.3	117.8	7.2		813.6	652.1	899.7	771.3
Administration non-current liabilities	(154.2)	(67.8)	(397.7)	(58.8)	(76.6)	(74.3)	(41.7)	(39.9)	(670.2)	(240.7)
TOTAL NON-CURRENT LIABILITIES	**308.6**	**698.0**	**2,165.8**	**2,522.8**	**3,220.6**	**2,761.3**	**422.0**	**770.3**	**6,117.0**	**6,752.4**
CURRENT LIABILITIES										
Trade and other payables	205.9	243.2	171.8	181.1	132.5	82.3	1,236.5	1,526.1	1,746.7	2,032.6
Short – term borrowings	1.7		21.5				0.2		23.3	
Current portion of interest bearing loans and borrowings	19.8	42.2	325.8	184.6	127.0	147.4	1.8	14.0	474.3	388.2
Dividends payable										
Income taxes payable	21.5	21.5	23.9	23.9		1.7	29.7	29.7	75.1	76.8
Accrued and other current liabilities	0.6	(0.6)	408.4	463.0			254.2	214.6	663.2	677.0
Administration current liabilities	5.6	7.8	0.7	5.1	4.4	5.3	54.5	75.8	65.2	94.1
TOTAL CURRENT LIABILITIES	**255.1**	**314.1**	**952.0**	**857.7**	**263.9**	**236.7**	**1,576.9**	**1,860.3**	**3,047.9**	**3,268.7**
Other movements between activities	1,181.8	634.5	2,341.4	1,825.7	(1,375.3)	(667.3)	(1,288.3)	(1,046.3)	859.5	746.6
TOTAL LIABILITIES AND EQUITY	**369.3**	**555.7**	**4,688.7**	**4,796.7**	**4,091.6**	**4,285.2**	**1,479.2**	**1,986.2**	**10,628.8**	**11,623.9**

Crete Unbundled Balance Sheet December 2020 (expressed in million euro)	GENERATION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019
ASSETS								
NON-CURRENT ASSETS								
Tangible Assets	487.4	492.4	386.3	401.0	0.6	1.6	874.3	895.0
Intangible Assets	(4.8)	10.7			0.5	0.6	(4.3)	11.3
Investments in subsidiaries								
Available for sale financial assets								
Deferred tax assets						34.9		34.9
Other non-current assets	0.2						0.2	
Administration non-current assets	14.1	17.9	3.8	5.9	0.9	1.0	18.9	24.8
TOTAL NON-CURRENT ASSETS	**496.9**	**521.0**	**390.2**	**407.0**	**2.0**	**38.1**	**889.1**	**966.1**
CURRENT ASSETS								
Materials, spare parts and supplies, net	96.1	89.7					96.1	89.7
Trade receivables, net	72.2	44.6	10.8	6.0	232.6	133.5	315.6	184.1
Other receivables, net				2.7		(4.9)		(2.2)
Other current assets	71.3	(69.2)	2.2	2.3	10.3	5.6	83.9	(61.3)
Cash and cash equivalents	27.2	9.6	1.7	5.0	100.7	20.7	129.5	35.3
Administration current assets	2.8	2.8	(0.9)	0.2	(7.7)	6.8	(5.7)	9.9
TOTAL CURRENT ASSETS	**269.6**	**77.6**	**13.8**	**16.2**	**335.9**	**161.7**	**619.3**	**255.5**
TOTAL ASSETS	**766.5**	**598.6**	**404.0**	**423.1**	**337.9**	**199.8**	**1,508.4**	**1,221.5**
EQUITY AND LIABILITIES								
EQUITY								
Share Capital	26.0	26.0	11.8	11.8	1.3	1.3	39.1	39.1
Share Premium	5.0	5.0	2.3	2.3			7.3	7.3
Legal Reserve	4.9	4.9	2.2	2.2			7.1	7.1
Fixed assets' statutory revaluation surplus included in share capital	(43.8)	(43.8)	(20.0)	(20.0)			(63.7)	(63.7)
Revaluation surplus	332.7	332.5	157.1	157.1	1.3	1.3	491.0	490.8
Other Reserves	4.9	3.0	2.0	2.0	0.1	(0.2)	6.9	4.8
Retained earnings	318.5	173.9	(9.8)	(6.4)	360.9	295.6	669.5	463.0
Administration equity	8.2	8.7	2.1	2.2	0.2	0.2	10.6	11.1
TOTAL EQUITY	**656.4**	**510.2**	**147.6**	**151.0**	**363.8**	**298.2**	**1,167.8**	**959.5**
NON-CURRENT LIABILITIES								
Interest bearing loans and borrowings	148.3	104.8	106.1	95.0	0.1	0.5	254.5	200.3
Post retirement benefits	(0.4)	2.7			1.1	1.5	0.7	4.2
Provisions	17.3	15.9			5.1	4.8	22.4	20.7
Deferred tax liability	85.1	87.0	33.0	5.0	(34.9)		83.1	92.0
Deferred customers' contributions and subsidies	0.1	0.1	133.4	133.9			133.5	134.0
Other non-current liabilities	(41.7)	(28.5)	1.3		101.2	90.5	60.8	62.1
Administration non-current liabilities	(40.2)	(16.7)	(9.2)	(9.0)	(2.4)	(2.3)	(51.8)	(28.0)
TOTAL NON-CURRENT LIABILITIES	**168.5**	**165.3**	**264.5**	**224.8**	**70.2**	**95.1**	**503.3**	**485.2**
CURRENT LIABILITIES								
Trade and other payables	6.3	10.4	17.4	14.1	205.9	106.6	229.6	131.1
Short – term borrowings	2.7						2.7	
Current portion of interest bearing loans and borrowings	32.0	11.0	11.5	12.3		0.6	43.5	23.9
Dividends payable								
Income taxes payable	2.2	2.2		0.2	(7.8)	(7.8)	(5.6)	(5.4)
Accrued and other current liabilities	41.3	53.7			40.4	37.9	81.7	91.5
Administration current liabilities	0.2	0.3	0.3	0.4	14.6	15.9	15.1	16.6
TOTAL CURRENT LIABILITIES	**84.7**	**77.6**	**29.3**	**27.0**	**253.2**	**153.2**	**367.2**	**257.8**
Other movements between activities	(143.1)	(154.5)	(37.4)	20.3	(349.3)	(346.7)	(529.9)	(481.0)
TOTAL LIABILITIES AND EQUITY	**766.5**	**598.6**	**404.0**	**423.1**	**337.9**	**199.8**	**1,508.4**	**1,221.5**

Other Nov Interconnected Islands Unbundled Balance Sheet (Incl. Rhodes) , December 2020 (expressed in million euro)	GENERATION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019
ASSETS								
NON-CURRENT ASSETS								
Tangible Assets	662.2	653.8	350.1	357.0	1.5	1.9	1,013.9	1,012.7
Intangible Assets	9.3	14.1	0.0	0.0	0.6	0.7	9.8	14.7
Investments in subsidiaries								
Available for sale financial assets								
Deferred tax assets				1.0		50.0		51.0
Other non-current assets	0.4						0.4	
Administration non,current assets	19.0	23.2	4.0	5.8	1.0	1.1	24.0	30.0
TOTAL NON-CURRENT ASSETS	**690.9**	**691.0**	**354.1**	**363.7**	**3.1**	**53.7**	**1,048.1**	**1,108.4**
CURRENT ASSETS								
Materials, spare parts and supplies, net	107.1	118.0					107.1	118.0
Trade receivables, net	23.5	27.3	3.9	5.3	193.2	104.9	220.5	137.5
Other receivables, net				(4.2)		11.0		6.8
Other current assets	9.4	5.6	1.8	1.9	8.9	6.9	20.0	14.5
Cash and cash equivalents	40.8	18.0	0.7	2.4	65.8	11.8	107.4	32.2
Administration current assets	2.5	2.5	(0.8)	0.1	(4.1)	6.1	(2.4)	8.7
TOTAL CURRENT ASSETS	**183.3**	**171.5**	**5.6**	**5.6**	**263.8**	**140.7**	**452.7**	**317.7**
TOTAL ASSETS	**874.2**	**862.5**	**359.7**	**369.3**	**266.9**	**194.4**	**1,500.8**	**1,426.1**
EQUITY AND LIABILITIES								
EQUITY								
Share Capital	41.6	41.6	11.4	11.4	1.4	1.4	54.3	54.3
Share Premium	8.0	8.0	2.2	2.2			10.2	10.2
Legal Reserve	7.8	7.8	2.2	2.2			10.0	10.0
Fixed assets' statutory revaluation surplus included in share capital	(69.9)	(69.9)	(19.2)	(19.2)	(0.2)	(0.2)	(89.3)	(89.3)
Revaluation surplus	313.0	312.8	128.2	128.3	1.0	1.0	442.1	442.1
Other Reserves	8.1	4.8	1.9	1.9		(0.1)	10.1	6.6
Retained earnings	32.8	2.8	19.7	22.9	500.7	458.6	553.2	484.3
Administration equity	9.8	10.2	1.8	1.8	0.4	0.4	11.9	12.4
TOTAL EQUITY	**351.1**	**318.1**	**148.0**	**151.5**	**503.3**	**461.0**	**1,002.5**	**930.7**
NON-CURRENT LIABILITIES								
Interest bearing loans and borrowings	213.7	192.8	102.6	90.3	0.7	0.5	316.9	283.7
Post-retirement benefits	(2.3)	3.2	0.3		1.1	1.4	(0.8)	4.6
Provisions	22.0	19.2	0.1	0.1	3.9	3.7	25.9	23.0
Deferred tax liability	74.9	78.4	50.5		(50.0)		75.4	78.4
Deferred customers' contributions and subsidies			111.7	115.5			111.7	115.5
Other non-current liabilities	(32.3)	(23.4)	0.5		89.1	82.7	57.3	59.2
Administration non-current liabilities	(56.2)	(12.5)	(5.5)	(5.3)	(10.8)	(10.7)	(72.5)	(28.6)
TOTAL NON-CURRENT LIABILITIES	**219.8**	**257.8**	**260.2**	**200.5**	**33.9**	**77.5**	**513.9**	**535.9**
CURRENT LIABILITIES								
Trade and other payables	18.3	22.7	22.1	15.4	126.2	56.9	166.6	95.1
Short – term borrowings	3.9						3.9	
Current portion of interest bearing loans and borrowings	46.0	21.0	11.2	11.7	0.1	0.5	57.4	33.2
Dividends payable								
Income taxes payable	4.4	4.4		0.2	(16.5)	(16.5)	(12.1)	(11.9)
Accrued and other current liabilities	31.5	35.3			34.0	37.8	65.4	73.1
Administration current liabilities	0.7	0.9	0.6	0.7	31.4	32.4	32.7	34.1
TOTAL CURRENT LIABILITIES	**104.9**	**84.4**	**33.8**	**28.0**	**175.2**	**111.2**	**313.9**	**223.6**
Other movements between activities	198.4	202.1	(82.4)	(10.7)	(445.6)	(455.5)	(329.6)	(264.0)
TOTAL LIABILITIES AND EQUITY	**874.2**	**862.5**	**359.7**	**369.3**	**266.9**	**194.4**	**1,500.8**	**1,426.1**

SYSTEM INTEGRATION UNBUNDLED INCOME STATEMENT
DECEMBER 2020 (expressed in million euro)

	MINES		GENERATION		DISTRIBUTION NETWORK	
	2020	2019	2020	2019	2020	2019
REVENUES						
REVENUES FROM 3rd PARTIES						
Energy sakes to customers						
Natural gas sales to customers						
PSO's revenues from customers						
Energy exports						
Energy sales to wholesale market			1,773.6	2,037.3		
Transitional Flexibility Assurance Mechanism			31.9	24.8		
Other services to wholesale market			14.3	11.3		
Sales from Lignite		8.7	1.0			
Network rentals					304.0	291.5
Customer's contribution			0.2		88.3	86.9
ETMEAR's revenues						
PSO's revenues from Administrators						
Other sales	5.4	6.1	8.5	10.3	7.3	
Allocated Administration Revenues	5.8	8.7	7.6	10.7		
INTERDEPARTMENTAL REVENUES						
Lignite yard & ash revenue	9.8	9.6				
Energy						
Lignite	206.6	277.0				
REVENUES	**227.6**	**310.1**	**1,837.1**	**2,094.5**	**399.6**	**378.4**
EXPENSES (3rd PARTIES)						
Payroll cost	122.3	83.3	184.5	120.7		
Own production lignite			200.0	272.0		
Third party lignite- Hard coal			1.8	3.8		
Natural Gas			297.6	431.4		
Liquid fuel			455.8	659.3		
Materials and Consumables	19.6	20.5	37.8	49.0		
Depreciations	93.1	134.4	305.9	265.6	259.5	210.8
Energy Purchases from third partiy			4.4	4.6		
Energy imports						
Energy Purchases to wholesale market			25.1	0.6		
Return of Receivable ETMEAR to Administrators						
Return of Receivable PSO to Administrators						
Transmission Neetwork Fees						
Distribution Network Fees						(0.1)
Utilities and Maintenance	72.4	76.8	27.7	41.2		
Third party fees	(0.4)	1.0	5.4	9.2		
Taxes and duties	0.3	0.5	8.1	16.3		
CO2 emissions rights			327.9	411.9		
Provisions	3.8	82.6	78.0	115.3		0.2
Financial expenses	23.7	6.4	42.1	113.5	125.8	45.5
Finaancial income	(3.1)	(0.1)	(15.2)	(1.9)	(10.7)	(0.5)
Income from IPTO's sale						
Income from PSO						
Other (income), expense, net	(0.5)	525.0	(13.4)	783.7	3.1	4.8
Devaluation of fixed assets- lignite	11.9		89.9		0.5	
Devaluation of fixed assets	78.5	256.3	(209.4)	430.4		139.0
Impairment loss of marketable securities						
Foreign currency gains / (losses), net	(0.5)		(0.4)	1.1		(0.1)
Allocated Administration Expenses	52.3	45.8	77.7	54.8		
INTERDEPARTMENTAL EXPENSES						
Lignite yard and ash expenses			9.8	9.6		
Change in stock	(1.2)	(7.2)				
Energy	20.0	36.4	23.5	25.6		
PROFIT (LOSS) BEFORE TAX	**(264.7)**	**(951.6)**	**(127.6)**	**(1,723.2)**	**21.5**	**(21.4)**

	SUPPLY		ELIMINATIONS		TOTAL PPC	
	2020	2019	2020	2019	2020	2019
REVENUES						
REVENUES FROM 3rd PARTIES						
Energy sakes to customers	3,511.7	3,793.7	398.7	468.4	3,910.4	4,262.1
Natural gas sales to customers	0.5				0.5	
PSO's revenues from customers	382.0	466.7	(382.0)	(466.7)		
Energy exports	16.7	1.8	(16.7)	(1.8)		
Energy sales to wholesale market	0.1		(1,773.7)	(2,037.3)		
Transitional Flexibility Assurance Mechanism			(31.9)	(24.8)		
Other services to wholesale market			(14.3)	(11.3)		
Sales from Lignite			(1.0)	(8.7)		
Network rentals			(304.0)	(291.5)		
Customer's contribution			(88.6)	(86.9)		
ETMEAR's revenues	427.2	502.6	(427.2)	(502.6)		
PSO's revenues from Administrators	541.5	544.8	(541.5)	(544.8)		
Other sales	25.6	27.8	438.3	429.9	485.0	474.2
Allocated Administration Revenues	2.1	3.8	(15.6)	(23.2)		
INTERDEPARTMENTAL REVENUES						
Lignite yard & ash revenue			(9.8)	(9.6)		
Energy	43.5	62.0	(43.5)	(62.0)		
Lignite			(206.6)	(277.0)		
REVENUES	**4,950.9**	**5,403.0**	**(3,019.3)**	**(3,449.7)**	**4,395.8**	**4,736.3**
EXPENSES (3rd PARTIES)						
Payroll cost	42.6	26.5	61.9	61.7	411.3	292.1
Own production lignite			(179.0)	(305.8)	21.0	(33.8)
Third party lignite- Hard coal			(1.8)	(3.8)		
Natural Gas	0.2				297.9	431.4
Liquid fuel					455.8	659.3
Materials and Consumables	0.7	0.7	0.2	0.2	58.4	70.5
Depreciations	7.0	16.2	14.0	9.4	679.6	636.5
Energy Purchases from third partiy	682.6	890.5	(687.0)	(895.1)		
Energy imports	129.7	146.5	(129.7)	(146.5)		
Energy Purchases to wholesale market	2,000.8	2,535.2	(810.6)	(837.4)	1,215.3	1,698.4
Return of Receivable ETMEAR to Administrators	428.9	504.4	(428.9)	(504.4)		
Return of Receivable PSO to Administrators	390.6	475.4	(390.6)	(475.4)		
Transmission Neetwork Fees	135.8	149.6			135.8	149.6
Distribution Network Fees	555.7	560.1	(304.0)	(291.5)	251.8	268.5
Utilities and Maintenance	18.8	18.1	4.0	8.2	122.9	144.3
Third party fees	47.8	31.6	27.0	12.8	79.8	54.6
Taxes and duties	2.6	3.5	(11.0)	(20.3)		
CO2 emissions rights					327.9	411.9
Provisions	(9.7)	(33.3)	70.2	(78.7)	142.2	86.2
Financial expenses	1.6	3.2	1.4		194.6	168.7
Finaancial income	(52.8)	(69.9)		(0.1)	(81.8)	(72.5)
Income from IPTO's sale						
Income from PSO	(5.7)	(239.2)	5.7	44.6		(194.7)
Other (income), expense, net	75.9	(19.7)	(41.7)	(1,237.8)	23.4	56.0
Devaluation of fixed assets- lignite	11.2		11.0	286.3	124.4	286.3
Devaluation of fixed assets		5.7		1,114.2	(130.9)	1,945.6
Impairment loss of marketable securities						
Foreign currency gains / (losses), net				(0.1)	(0.8)	1.0
Allocated Administration Expenses	16.1	20.0	(146.1)	(120.6)		
INTERDEPARTMENTAL EXPENSES						
Lignite yard and ash expenses			(9.8)	(9.6)		
Change in stock			1.2	7.2		
Energy			(43.5)	(62.0)		
PROFIT (LOSS) BEFORE TAX	**470.3**	**377.9**	**(32.1)**	**(5.4)**	**67.5**	**(2,323.7)**

INTERCONNECTEDSYSTEM UNBUNDLED INCOME STATEMENT DECEMBER 2020 (expressed in million euro)	MINES 2020	MINES 2019	GENERATION 2020	GENERATION 2019	DISTRIBUTION NETWORK 2020	DISTRIBUTION NETWORK 2019	SUPPLY 2020	SUPPLY 2019	TOTAL 2020	TOTAL 2019
REVENUES										
REVENUES FROM 3rd PARTIES										
Energy sales to customers							3,122.3	3,360.6	3,122.3	3,360.6
Natural gas sales to customers							0.5		0.5	
PSO's revenues from customers							332.1	401.7	332.1	401.7
Energy exports							16.7	1.8	16.7	1.8
Energy sales to wholesale market			1,004.0	1,082.9			0.1		1,004.1	1,082.9
Transitional Flexibility Assurance Mechanism			31.9	24.8					31.9	24.8
Other Services to wholesale market			14.3	11.3					14.3	11.3
Sales from Lignite		8.7	1.0						1.0	8.7
Network Rentals					270.0	255.1			270.0	255.1
Customer's Contribution			(0.9)	(3.2)	74.9	74.7			74.0	71.5
ETMEAR's revenues							377.9	442.7	377.9	442.7
PSO's revenues from Administrators							79.6	48.4	79.6	48.4
Other Sales	5.4	6.1	8.2	9.9	6.0		22.9	24.7	42.5	40.8
Allocated Administration Revenues	5.8	8.7	4.8	6.9			1.9	3.3	12.5	18.8
INTERDEPARTMENTAL REVENUES										
Lignite yard and ash revenue	9.8	9.6							9.8	9.6
Energy							40.8	60.0	40.8	60.0
Lignite	206.6	277.0							206.6	277.0
REVENUES	**227.6**	**310.1**	**1,063.3**	**1,132.6**	**350.9**	**329.8**	**3,994.8**	**4,343.2**	**5,636.6**	**6,115.6**
EXPENSES (3rd PARTIES)										
Payroll cost	122.3	83.3	121.5	80.3			38.3	23.3	282.1	186.9
Own production lignite			200.0	272.0					200.0	272.0
Third party lignite - Hard coal			1.8	3.8					1.8	3.8
Natural Gas			297.6	431.4			0.2		297.9	431.4
Liquid fuel			14.0	24.4					14.0	24.4
Materials and Consumables	19.6	20.5	21.5	27.2			0.6	0.6	41.7	48.4
Depreciations	93.1	134.4	223.3	191.6	221.0	182.9	6.2	14.7	543.6	523.6
Energy purchases fron third party										
Energy imports							129.7	146.5	129.7	146.5
Energy Purchases to wholesale market			25.1	0.6			1,993.4	2,535.2	2,018.5	2,535.8
Return of receivable ETMEAR to Administrators							381.0	445.6	381.0	445.6
Return of receivable PSO to Administrators							340.9	410.3	340.9	410.3
Transimission Network Fees							135.8	149.6	135.8	149.6
Distribution Network Fees						(0.1)	492.1	488.1	492.1	488.0
Utilities and Maintenance	72.4	76.8	20.0	30.4			17.0	16.0	109.5	123.1
Third party fees	(0.4)	1.0	2.9	5.9			44.7	26.7	47.2	33.6
Taxes and duties	0.3	0.5	7.6	15.6			2.2	3.1	10.1	19.3
CO2 emissions rights	0.0		255.5	330.9					255.5	330.9
Provisions	3.8	82.6	69.0	80.1		0.2	(5.6)	(38.5)	67.2	124.3
Financial expenses	23.7	6.4	31.1	77.4	108.2	34.2	1.5	3.1	164.5	121.2
Financial income	(3.1)	(0.1)	(12.8)	(1.3)	(9.2)	(0.4)	(47.7)	(62.5)	(72.9)	(64.2)
Other (income) expense, net	(0.5)	525.0	(13.9)	783.6	2.2	3.6	77.3	(56.2)	65.1	1,256.0
Devaluation of fixed assets - lignite	11.9	256.3	53.3	289.9	0.4	115.1	10.7	5.4	76.3	666.7
Devaluation of fixed assets	78.5		(209.4)						(130.9)	
Impairment loss of marketable securities										
Foreign currency gains/(losses), net	(0.5)		(0.2)	0.8		(0.1)			(0.7)	0.8
Allocated Administration Expenses	52.3	45.8	52.6	35.5			14.1	17.2	119.0	98.5
INTERDEPARTMENTAL EXPENSES										
Lignite yard and ash expenses			9.8	9.6					9.8	9.6
Change in stock	(1.2)	(7.2)							(1.2)	(7.2)
Energy	20.0	36.4	20.8	23.6					40.8	60.0
PROFIT (LOSS) BEFORE TAX	**(264.7)**	**(951.6)**	**(127.8)**	**(1,580.5)**	**28.3**	**(5.7)**	**362.5**	**214.9**	**(1.7)**	**(2,322.9)**

CRETE UNBUNDLED INCOME STATEMENT DECEMBER 2020 (expressed in million euro)	GENERATION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUES								
Revenues from 3rd Parties								
Energy sales to customers					218,7	231,7	218,7	231,7
PSO's revenues from customers					27,6	34,0	27,6	34,0
Energy sales to wholesale market	420,7	516,3					420,7	516,3
Other Services to wholesale market								
Network rentals			18,5	19,1			18,5	19,1
Customer's contribution	0,9	2,5	7,0	6,3			7,9	8,7
ETMEAR's revenues					27,8	32,0	27,8	32,0
PSO's revenues from Administrators					259,3	278,9	259,3	278,9
Other Sales	0,1	0,1	0,6		1,4	1,3	2,2	1,5
Allocated Administration Revenues	1,0	1,2			0,1	0,3	1,1	1,5
Interdepartmental Revenues								
Lignite yard & ash revenue								
Energy					1,5	1,2	1,5	1,2
Lignite								
REVENUES	**422,6**	**520,1**	**26,1**	**25,3**	**536,6**	**579,4**	**985,3**	**1.124,9**
Expenses (3rd Parties)								
Payroll Cost	22,9	14,3			2,6	1,9	25,4	16,2
Own production lignite								
Third party lignite - Hard coal								
Natural Gas								
Liquid fuel	278,5	387,9					278,5	387,9
Materials & Consumables	5,4	5,4			0,1	0,1	5,4	5,5
Depreciations	43,1	27,2	21,1	15,3	0,4	0,9	64,6	43,3
Energy purchases from third party	4,1	3,7			382,9	486,7	387,0	490,4
Energy imports								
Energy Purchases to wholesale market					4,2		4,2	
Return of receivable ETMEAR to Administrators					26,5	30,7	26,5	30,7
Return of receivable PSO to Administrators					24,6	29,7	24,6	29,7
Transmission Network Fees								
Distribution Network Fees					34,4	37,7	34,4	37,7
Utilities & maintenance	0,7	3,1			0,9	1,1	1,6	4,2
Third party fees	0,5	0,5			1,7	2,5	2,1	3,0
Taxes and duties	0,3	0,3			0,2	0,2	0,5	0,5
CO2 emissions rights	43,2	46,2					43,2	46,2
Provisions	(7,3)	26,0			(2,3)	3,3	(9,6)	29,3
Financial expenses	4,2	8,4	9,0	7,0			13,2	15,4
Financial income	(0,9)	(0,2)	(0,8)	(0,1)	(2,8)	(3,9)	(4,4)	(4,1)
Other (income)/expense, net	(0,5)	(1,7)	0,2	0,9	(4,0)	(119,6)	(4,3)	(120,4)
Devaluation of fixed assets_lignite	26,8	22,4		9,3	0,3	0,2	27,1	31,8
Impairment loss of marketable securities								
Foreign currency gains/(losses), net		0,1					(0,0)	0,1
Allocated Administration Expenses	9,0	6,5			1,2	1,6	10,1	8,1
Interdepartmental Expenses								
Lignite yard & ash expenses								
Change in stock								
Energy	1,5	1,2					1,5	1,2
PROFIT (LOSS) BEFORE TAX	**(8,6)**	**(31,1)**	**(3,5)**	**(7,0)**	**65,6**	**106,4**	**53,5**	**68,3**

OTHER NON INTERCONNECTED ISLANDS UNBUNDLED INCOME STATEMENT (INCL. RHODES) DECEMBER 2020 (expressed in million euro)	GENERATION		DISTRIBUTION NETWORK		SUPPLY		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUES								
Revenues from 3rd Parties								
Energy sales to customers					170.6	201.3	170.6	201.3
PSO's revenues from customers					22.3	31.0	22.3	31.0
Energy sales to wholesale market	348.9	438.1					348.9	438.1
Other Services to wholesale market								
Network rentals			15.5	17.4			15.5	17.4
Customer's contribution	0.3	0.7	6.4	5.9			6.7	6.6
ETMEAR's revenues					21.4	27.9	21.4	27.9
PSO's revenues from Administrators					202.6	217.5	202.6	217.5
Other Sales	0.2	0.3	0.7		1.2	1.7	2.1	2.0
Allocated Administration Revenues	1.8	2.7			0.1	0.2	1.9	2.9
Interdepartmental Revenues								
Lignite yard & ash revenue								
Energy					1.2	0.8	1.2	0.8
Lignite								
REVENUES	**351.2**	**441.8**	**22.7**	**23.2**	**419.5**	**480.4**	**793.3**	**945.4**
Expenses (3rd Parties)								
Payroll Cost	40.2	26.1	0.0		1.7	1.3	41.9	27.4
Own production lignite								
Third party lignite - Hard coal								
Natural Gas								
Liquid Fuel	163.3	247.0			0.0		163.3	247.0
Materials & Consumables	10.9	16.4			0.1	0.1	11.0	16.4
Depreciations	39.6	46.9	17.4	12.6	0.4	0.7	57.3	60.3
Energy Purchases from third party	0.3	0.9			299.7	403.7	300.0	404.6
Energy imports								
Energy Purchases to wholesale market					3.2		3.2	
Return of receivable ETMEAR to Administrators					21.4	28.1	21.4	28.1
Return of receivable PSO to Administrators					25.1	35.4	25.1	35.4
Transmission Network Fees					(0.0)			
Distribution Network Fees					29.2	34.4	29.2	34.4
Utilities & Maintenance	7.0	7.8			0.8	1.0	7.8	8.8
Third party fees	2.0	2.8			1.5	2.4	3.5	5.1
Taxes and duties	0.3	0.4			0.2	0.2	0.5	0.6
CO_2 emission rights	29.2	34.8					29.2	34.8
Provisions	16.2	9.3			(1.8)	2.0	14.4	11.2
Financial expenses	6.8	27.8	8.6	4.3		0.1	15.5	32.1
Financial income	(1.6)	(0.5)	(0.7)		(2.3)	(3.5)	(4.6)	(4.0)
Other (income)/expense, net	1.0	1.8	0.7	0.3	(3.0)	(83.2)	(1.3)	(81.1)
Devaluation of fixed assets_lignite	9.8	118.1		14.7	0.2	0.1	10.1	132.9
Impairment loss of marketable securities	0.0							
Foreign currency gains/(losses), net	(0.1)	0.2					(0.1)	0.2
Allocated Administration Expenses	16.1	12.8			0.9	1.2	17.0	14.0
Interdepartmental Expenses								
Lignite yard & ash expenses								
Change in stock								
Energy	1.2	0.8					1.2	0.8
PROFIT (LOSS) BEFORE TAX	**8.8**	**(111.5)**	**(3.3)**	**(8.7)**	**42.2**	**56.6**	**47.7**	**(63.6)**

CONSOLIDATED AND SEPARATE BALANCE SHEET AS OF DECEMBER 31, 2020 (expressed in million euro)	COMPANY		HEDNO		OTHER COMPANIES		ELIMINATIONS		GROUP	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
ASSETS										
NON-CURRENT ASSETS										
Tangible Assets	5,390.1	10,217.7	87.6	90.7	313.5	360.5	4,543.2	(29.0)	10,334.5	10,639.9
Intangible Assets	87.6	65.1	2.0	2.1	13.6	7.2	8.9	6.6	112.1	80.9
Investments in subsidiaries	221.6	221.3	–	–	(0.0)	(0.0)	(221.6)	(221.3)	–	–
Investments in associates	0.0	1.0	–	–	34.0	35.4	(0.0)	(0.0)	34.1	36.4
Available for sale financial assets	0.6	0.9	–	–	0.2	0.4	(0.0)	0.0	0.9	1.3
Deferred tax assets	761.1	197.9	54.0	66.7	(17.7)	–	(594.7)	(38.0)	202.7	226.6
Other non-current assets	16.0	20.1	0.0	0.0	6.6	0.1	(8.4)	0.2	14.3	20.4
TOTAL NON-CURRENT ASSETS	**6,477.1**	**10,723.9**	**143.7**	**159.5**	**350.4**	**403.5**	**3,727.3**	**(281.4)**	**10,698.4**	**11,005.5**
CURRENT ASSETS										
Materials, spare parts and supplies, net	455.2	530.9	172.9	162.4	25.0	56.1	(22.7)	(18.5)	630.4	730.9
Trade receivables, net	554.6	579.2	249.2	266.3	48.7	32.9	(143.8)	(194.9)	708.7	683.5
Other receivables, net	377.3	424.9	41.5	17.2	14.2	18.4	(55.7)	(35.6)	377.3	424.9
income tax receivables	–	–	–	–	0.1	0.0	2.7	12.6	2.7	12.6
Other current assets	214.7	235.4	257.5	291.0	9.0	11.3	(87.5)	(177.3)	393.7	360.5
Cash and cash equivalents	626.9	205.5	78.8	12.9	109.9	68.6	(0.0)	(0.0)	815.6	286.9
Restricted cash	52.8	67.8	–	–	–	–	5.9	–	58.7	67.8
Assets held for sale	4,563.4	–	–	–	–	–	(4,563.4)	–	–	–
TOTAL CURRENT ASSETS	**6,844.9**	**2,043.7**	**799.8**	**749.9**	**206.9**	**187.2**	**(4,864.5)**	**(413.8)**	**2,987.1**	**2,567.0**
TOTAL ASSETS	**13,322.0**	**12,767.6**	**943.4**	**909.4**	**557.3**	**590.7**	**(1,137.2)**	**(695.2)**	**13,685.6**	**13,572.5**
EQUITY AND LIABILITIES										
EQUITY										
Share Capital	575.4	575.4	37.6	37.6	400.0	99.4	(437.5)	(136.9)	575.4	575.4
Share Pemium	106.7	106.7	–	–	69.5	55.3	(69.5)	(55.3)	106.7	106.7
Legal reserve	128.3	128.3	5.1	1.6	3.9	3.4	(9.0)	(5.0)	128.3	128.3
Fixed assets' statutory revaluation surplus included in share capital	(947.3)	(947.3)	–	–	–	–	–	–	(947.3)	(947.3)
Revaluation surplus	4,594.4	4,659.0	42.4	42.9	319.0	350.7	(269.5)	23.6	4,686.4	5,076.1
Other Reserves	51.9	26.6	–	–	92.0	90.2	(56.3)	(65.0)	87.6	51.9
Retained earnings	(1,780.5)	(1,862.8)	121.1	80.4	(626.8)	(318.4)	734.1	150.1	(1,552.1)	(1,950.7)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE	**2,728.8**	**2,685.8**	**206.2**	**162.5**	**257.6**	**280.7**	**(107.7)**	**(88.6)**	**3,084.9**	**3,040.3**
NON CONTROLING INTEREST	**–**	**–**	**–**	**–**	**–**	**–**	**0.3**	**0.3**	**0.3**	**0.3**
TOTAL EQUITY	**2,728.8**	**2,685.8**	**206.2**	**162.5**	**257.6**	**280.7**	**(107.4)**	**(88.4)**	**3,085.2**	**3,040.6**
NON-CURRENT LIABILITIES										
Interest bearing loans and borrowings	2,008.6	3,467.1	–	–	96.5	43.9	1,375.4	0.0	3,480.5	3,511.0
Post retirement benefits	129.4	175.8	89.7	112.6	13.5	14.8	0.2	0.1	232.8	303.3
Provisions	745.7	737.0	44.8	40.5	4.0	4.7	(7.1)	(1.5)	787.4	780.7
Deferred tax liability	–	–	–	–	–	23.6	–	(23.6)	–	–
Deferred customers' contributions and subsidies	556.0	2,517.8	–	–	11.6	15.9	1,860.2	20.0	2,427.8	2,553.6
Other non-current liabilities	701.4	0.0	64.5	62.3	2.4	2.7	(23.2)	(52.0)	745.1	13.1
TOTAL NON-CURRENT LIABILITIES	**4,141.0**	**6,897.8**	**199.0**	**215.3**	**128.1**	**105.5**	**3,205.4**	**(57.0)**	**7,673.4**	**7,161.6**
CURRENT LIABILITIES										
Trade and other payables	1,183.0	1,523.8	346.5	300.0	147.4	179.0	(236.4)	(313.5)	1,440.4	1,689.2
Short – term borrowings	30.0	–	–	–	12.3	18.7	(0.1)	(0.1)	42.2	18.6
Current portion of interest bearing loans and borrowings	409.1	430.1	–	–	0.2	0.2	155.2	5.3	564.6	435.7
Dividends payable	0.0	0.0	–	–	–	–	–	–	0.0	0.0
Income taxes payable	63.8	63.8	2.3	5.8	2.1	0.1	(0.1)	(0.0)	68.2	69.6
Accrued and other current liabilities	825.2	727.4	189.4	225.8	9.6	6.5	(212.6)	(241.5)	811.6	718.2
Derivatives Liability	–	438.9	–	–	–	–	–	–	–	438.9
Liabilities held for sale	3,941.2	–	–	–	–	–	(3,941.2)	–	–	–
TOTAL CURRENT LIABILITIES	**6,452.2**	**3,184.0**	**538.2**	**531.6**	**171.6**	**204.5**	**(4,235.2)**	**(549.9)**	**2,926.9**	**3,370.3**
TOTAL LIABILITIES AND EQUITY	**13,322.0**	**12,767.6**	**943.4**	**909.4**	**557.3**	**590.7**	**(1,137.2)**	**(695.2)**	**13,685.6**	**13,572.5**

CONSOLIDATED AND SEPARATE STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2020 (expressed in million euro)	COMPANY		HEDNO		OTHER COMPANIES		ELIMINATIONS		GROUP	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
REVENUES										
Revenue from energy sales	3,910.4	4,262.1	910.4	1,115.2	158.1	409.1	(1,031.5)	(1,497.7)	3,947.3	4,288.7
Other sales	485.0	474.2	1,725.8	1,714.5	0.3	(5.9)	(1,509.4)	(1,539.9)	701.6	643.0
	4,395.4	**4,736.3**	**2,636.2**	**2,829.6**	**158.3**	**403.3**	**(2,541.0)**	**(3,037.6)**	**4,649.0**	**4,931.6**
EXPENSES										
Payroll cost	411.3	292.1	284.2	206.3	59.4	66.3	(41.3)	(52.4)	713.6	512.3
Lignite	21.0	(33.8)	—	—	28.6	37.5	(0.0)	(0.0)	49.6	3.7
Liquid Fuel	455.8	659.3	—	—	6.7	11.6	0.0	(0.0)	462.5	670.9
Natural Gas	297.9	431.4	—	—	—	—	—	—	297.9	431.4
Depreciation & Amortization	679.6	636.5	22.4	21.6	51.0	12.5	(8.9)	(8.9)	744.0	661.8
Energy Purchases	1,215.3	1,698.4	1,617.8	1,787.3	20.4	161.4	(1,735.6)	(2,160.7)	1,117.9	1,486.4
Materials & Consumables	58.4	70.5	99.6	89.2	9.8	15.5	(56.8)	(49.0)	110.9	126.1
Transmission system usage	135.8	149.6	—	—	0.1	—	(0.0)	—	135.8	149.6
Distribution system usage	251.8	268.5	—	—	—	—	(251.8)	(268.5)	—	—
Utilities and maintance	122.9	144.3	520.3	553.5	18.6	28.2	(462.0)	(504.8)	199.8	221.1
Thirty party fees	79.8	54.6	41.9	34.7	3.3	11.6	(11.8)	(18.7)	113.3	82.2
CO_2 emission rights	327.9	411.9	—	—	65.6	134.6	0.0	0.0	393.5	546.5
Provisions from land restoration	—	—	—	—	—	—	—	—	—	—
Provisions for risk	43.1	16.2	0.4	9.5	(0.6)	—	(103.0)	(5.4)	38.6	20.3
Provisions for slow - moving materials	62.5	7.6	1.6	4.4	22.3	0.7	0.0	(0.0)	86.3	12.7
Allowances for doubtful balances	36.7	62.4	(1.6)	2.0	(77.3)	0.0	104.2	(106.5)	61.9	(42.0)
Financial expenses	194.6	168.7	2.6	2.7	2.5	(5.2)	(1.5)	4.6	198.2	170.7
Financial income	(81.8)	(72.5)	(0.4)	(0.5)	(1.2)	(1.3)	23.3	1.1	(60.1)	(73.2)
Impairment of assets	124.4	286.3	—	—	—	—	(124.4)	(286.3)	—	—
Income from PSO	—	(194.7)	—	—	—	—	—	—	—	(194.7)
Other (income) expenses, net	23.4	56.0	21.4	19.6	10.4	6.5	(7.9)	24.4	47.3	106.4
Subsidies of valuation of fixed assets	(130.9)	1,945.6	—	—	(14.4)	(98.1)	20.0	251.3	(125.3)	2,098.8
Net loss/(gain) of associates and joint ventures net	0.0	—	—	—	(2.4)	(2.4)	(0.0)	0.0	(2.4)	(2.4)
Loss/(gain) of associates and joint ventures net	—	—	—	—	—	—	—	—	—	—
Impairement loss of marketable ssecurities	(0.8)	1.0	—	—	(0.0)	0.0	(0.0)	(0.0)	(0.9)	1.0
	4,328.3	**7,060.0**	**2,610.2**	**2,730.3**	**202.8**	**379.3**	**(2,657.6)**	**(3,180.0)**	**4,582.5**	**6,989.5**
PROFIT/(LOSS) BEFORE TAX	**67.0**	**(2,323.7)**	**26.0**	**99.4**	**(44.4)**	**24.0**	**116.6**	**142.4**	**66.5**	**(2,057.9)**

Appendix I / Unbundled Financial Statements

NOTES TO THE UNBUNDLED FINANCIAL STATEMENTS

1. GENERAL INFORMATION.

According to the provisions of European Directive 2009/72/EC, as well as the provisions of Law 4001/2011, which integrates the aforementioned European Directive into the national legislation, unbundling is the separation of financial statements (balance sheet and income statement) of an integrated electric utility into different financial statements for each one of its activities.
The unbundled financial statements will reflect each activity's financial position, assets and liabilities, as if such activities prepared financial statements had they been separate (independent) legal entities.

PPC, as a vertically organized integrated electric utility, keeps in its internal accounting, separate accounts for its activities and prepares separate balance sheets and statements of income for each one of its activities (balance sheet and statement of income before tax – hereinafter referred to as "unbundled financial statements"), as if these activities were carried out by different entities, in order to avoid discriminations, cross subsidization and distortion of competition.

Further to the above, PPC should keep separate accounts for its activities carried out in the non-interconnected islands.

The accounting principles applied for the preparation of the unbundled financial statements are those applied for the preparation of the Company's separate and consolidated financial statements.

The unbundling methodology applied by the Company for the preparation of the accompanied unbundled financial statements was approved by the 266/2014 Decision of the Regulatory Authority for Energy. Additionaly, in the Non – Interconnected System the transactions of energy between PPC's Generation and Supply and HEDNO, are carried out according to RAE's Decision 641/2013.

2. ACCOUNTING UNBUNDLING METHODOLOGY.

The methodology applied for the preparation of the unbundled financial statements consists of the following phases:

- Determination of activities into which the integrated electric utility should be unbundled.
- Preparation of unbundled trial balances.
- Preparation of unbundled balance sheets.
- Preparation of the unbundled statements of income.
- Quantification of inter-segment revenues and expenses among activities through the application of an internal pricing system.

Determination of activities into which the integrated electric utility should be unbundled.

The activities for unbundled financial statements are prepared, on a first level, are Mines, Generation, Distribution Network, Supply, and Corporate.
On a second level, these activities are presented as follows:

Interconnected System	System of Crete	System of other Non Interconnected Islands
– Mines. – Generation. – Distribution network. – Supply.	– Generation. – Distribution network. – Supply.	– Generation. – Distribution network. – Supply.

<u>Mines</u>
Mines include the lignite extraction activity carried out in the Lignite Centers of West Macedonia and Megalopolis.

<u>Generation</u>
Generation includes the electricity generation activities in the Interconnected System, the System of Crete and the System of Non Interconnected Islands.

<u>Distribution</u>
Distribution Network includes the rental of assets to HEDNO SA in the Interconnected System, the System of Crete and the System of Non Interconnected Islands.

<u>Supply</u>
Supply reflects the Company's activity which monitors relationships with final customers in the Interconnected System, the System of Crete and the System of Non Interconnected Islands.

<u>Corporate</u>
The Corporate is the adninistrative departments of the Parent Company, which provide support to PPC's activities.

The Balance Sheet and Statement of Income of the Corporate is further allocated based on certain allocation rules, which are described in detail in the following pages. Related parties are reflected as a separate activity in the group unbundled financial statements.

Preparation of unbundled trial balances.

In the Company's accounting system, each the cost centre and the profit centre represents an organizational entity, in which the assets and liabilities are recorded. In order for these trial balances to be generated, the following tasks are performed, which are applied per account and cost / profit centre for the minimum account degree in General Accounting:

- Cost / profit centers are recorded in order to identify the boundaries of activities and then all cost / profit centers to be assigned to activities with which they are related to.
- The sum totals of the cost / profit centers and accounts are reconciled with the comprehensive trial balance of the Company.
- The trial balance accounts are codified and grouped into sections of the balance sheet and of the income statement based on Company's consolidated Financial Statements.

Preparation of unbundled balance sheets.

At the and of each financial year, balance sheets are prepared for each of the four activities (Mines, Generation, Distribution Network, Supply) in the Interconnected System, in the Crete System and in the Non – Interconnected Islands System.

The balance sheet for each activity is prepared under the principle of independent accounting.

The accounts of each balance sheet are as follows:
- Direct, which include the direct charges and credits of the accounts of the relevant profit centers of the corresponding level of activity.
- Indirect of the administration departments, which derive from the administration departments of each activity and include its allocated balance sheet accounts.
- Indirect of the Corporate, which include the allocated balance sheet accounts, which are presented in a separate line on each activity's balance sheet.

Additionaly, the Balance Sheets of PPC's subsidiaries are depicted separately.

Preparation of the unbundled statements of income.

For each accounting period income statements are prepared for each of the four activities (Mines, Generation, Distribution Network, Supply) in the Interconnected System, in the Crete System and in the Non – Interconnected Islands System. Additionaly, the Income Statemetns of PPC's subsidiaries are depicted separately.

Income statement accounts of financial nature are allocated to activities based on the loans of each activity.

Then, income statement account balances that have remained in Corporate are allocated in the activities.

For the allocation of revenues and expenses to Activities the criterion is based on direct expenses of every Activity, with the exception of expenses that relate to the system of customers' monitoring and billing that are assigned only to Supply. Upon completion of the above allocations, the Statements of income for each Activity are prepared. The Corporate expenses and revenues allocated to the activities are presented separately in a line item in each activity.

Quantification of inter-segment revenues and expenses among activities through the application of an internal pricing system.

Within the framework of an integrated utility products and services are exchanged among its activities, which would be recorded if these activities would operate as independent entities.

In order for these products and services to be quantified and recorded, an internal pricing system is applied if necessary (where there is no external determination of internal exchanges). The most important services and products internally exchanged in PPC among its Activities, that are presented in the Unbundled Financial Statements are the following:

	Activity which	
Product/ Service	**Renders**	**Receives**
Interconnected system		
Lignite	Mines	Generation
Other Services	Mines	Generation
Self-consumption energy	Supply	Mines, Generation
System of Crete		
Self-consumption Energy	Supply	Generation
System of other non-interconnected islands		
Self-consumption Energy	Supply	Generation

Each activity's revenues from product sales or services to another activity are quantified, through the internal pricing system. Also, the activity that receives the product/ service records the related cost.

The internal revenues – expenses for each activity are defined as follows:

In the interconnected system:
- The internal energy sales for self-consumption are calculated based on each Activity's metered consumption of energy with the average marginal price including the Return of receivable Public Service Obligations, Transmission System Tariffs and IPTO uplift charge.
- The Mines internal revenue is calculated in accordance of the agreement for the lignite supply between Mines and Generation. The lignite supply contract determines the internal lignite market, i.e the lignite sales of the activity of the Lignite General Division to the activity of the Generation General Division. The contract covers the consumption of the lignite stations on a continuous basis, as well as with the necessary stock for the specific period. The calculation of the relative amounts takes place on the monthly basis, taking into account the monthly consumption and the calorific value of the lignite delivered.

In the Non-Interconnected system:
The internal energy sales are calculated based on each activity's metered consumption of energy priced by the average revenue of PPC's tariffs for the sale of electricity to Medium Voltage for Industrial Use customers.

ANALYSIS OF REVENUES - EXPENSES FROM GENERATION AND SUPPLY

	GENERATION		SUPPLY	
	2020	2019	2020	2019
	in millions of €	in millions of €	in millions of €	in millions of €
INCOME				
Energy sales			**4,178.1**	**4,762.9**
Competitive charges			2,811.1	3,066.5
Revenue from low voltage sales			2,161.1	2,294.9
Revenue from medium voltage sales			358.2	403.2
Revenue from high voltage sales			291.8	368.4
Transmission system usage			146.4	166.3
Revenue from low voltage sales			116.4	130.6
Revenue from medium voltage sales			13.1	18.6
Revenue from high voltage sales*			16.9	17.1
Distribution system usage			485.1	557.5
Revenue from low voltage sales			460.5	523.6
Revenue from medium voltage sales			24.6	34.0
Revenue from other charges			1.9	2.2
Revenue from low voltage sales			1.6	1.8
Revenue from medium voltage sales			0.3	0.4
Unbilled revenue and discounts*			(75.7)	1.2
Revenue from PSO			382.0	466.7
Revenue from low voltage sales			302.4	368.4
Revenue from medium voltage sales			68.2	86.1
Revenue from high voltage sales			11.4	12.2
Revenue from the special fee for the reduction of CO_2 emissions			427.2	502.6
Revenue from low voltage sales			368.1	569.6
Revenue from medium voltage sales			36.2	45.7
Revenue from high voltage sales			12.0	17.4
Provisions			10.9	(130.1)
Wholesale energy sales	**1,819.7**	**2,073.4**		
Sales of energy to wholesale market	937.6	1,014.7		
Sales of energy to HEDNO	769.6	954.4		
Revenue from covering the generation variable cost recovery	66.4	68.3		
Transitional Flexibility Assurance Mechanism	31.9	24.8		
Ancillary services	14.3	11.3		
Lignite sales	1.0			

	GENERATION		SUPPLY	
	2020	2019	2020	2019
	in millions of €	in millions of €	in millions of €	in millions of €
Other sales			**25.5**	**27.8**
Revenue from reconnection fees			1.7	1.8
Other income from consumers			1.3	1.4
Commission from Municipal Levy and tax			22.6	24.6
EXPENSES			**3,242.0**	**4,076.0**
Purchases of energy - Inerconnected System			**1,993.4**	**2,534.7**
Purchases of energy by wholesale market			1,617.1	2,377.4
Transitional Flexibility Assurance Mechanism			33.7	32.1
Coverage of the generation variable cost recovery			58.6	59.2
Charge according to the thermal units' variable cost			104.2	74.0
Ancillary services			34.6	49.2
Settlement of losses - clearances			45.8	38.4
Non - compliance charges			19.8	
Charge of electricity suppliers for RES account L.4759/2020			65.7	
RES Special Account			0.0	(99.3)
Other Expenses			13.8	3.6
Energy imports			**129.7**	**146.5**
Energy purchases from non interconnected islands			**584.3**	**764.2**
Energy purchases from RES			**105.7**	**126.3**
Special fee for the reduction of CO_2 emissions			**428.9**	**504.4**
Revenue from the special fee for the reduction of CO_2 emissions from interconnected system			381.0	445.6
Revenue from the special fee for the reduction of CO_2 emissions from non- interconnected islands			47.9	58.9

* For the revenue resulting from unbilled and discounts of low voltage, there is not breakdown in competitive - monopoly charges to customers

The Hydroelectric Power Plant of Sfikia.

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Related Parties Transactions

Related Party Transactions for the Year 2020
Amounts in thousands of Euro

	31.12.2020
Due from:	
PPC RENEWABLES S.A.	1,275
HEDNO S.A.	496,022
LIGNITIKI MEGALOPOLIS S.A.	51,957
LIGNITIKI MELITIS S.A.	30,002
PPC FINANCE PLC	0
PPC ELEKTRIK TEDARIK VE TICARET A.S.	649
PPC BULGARIA JSCO	0
PPC ALBANIA	0
EDS AD SKOPJE	395
TOTAL	**580,300**
Due to:	
PPC RENEWABLES S.A.	0
HEDNO S.A.	681,929
LIGNITIKI MEGALOPOLIS S.A.	709
LIGNITIKI MELITIS S.A.	0
PPC FINANCE PLC	37
PPC ELEKTRIK TEDARIK VE TICARET A.S.	0
PPC BULGARIA JSCO	1,537
PPC ALBANIA	0
EDS AD SKOPJE	142
TOTAL	**684,354**
Revenues from:	
SERVICES RENDERED TO PPC RENEWABLES S.A.	2,313
SERVICES RENDERED TO HEDNO S.A.	1,673,252
SERVICES RENDERED TO LIGNITIKI MEGALOPOLIS S.A.	47,909
SERVICES RENDERED TO LIGNITIKI MELITIS S.A.	28,901
SERVICES RENDERED TO PPC FINANCE PLC	0
SERVICES RENDERED TO PPC ELEKTRIK TEDARIK VE TICARET A.S.	289
SERVICES RENDERED TO PPC PPC BULGARIA JSCO	0
SERVICES RENDERED TO PPC ALBANIA	0
SERVICES RENDERED TO EDS AD SKOPJE	76
TOTAL	**1,752,740**

	31.12.2020
Expenses to:	
EXPENSES FROM SERVICES TO PPC RENEWABLES S.A.	0
EXPENSES FROM SERVICES TO HEDNO S.A.	1,791,851
EXPENSES FROM SERVICES TO LIGNITIKI MEGALOPOLIS S.A.	993
EXPENSES FROM SERVICES TO LIGNITIKI MELITIS S.A.	0
EXPENSES FROM SERVICES TO PPC FINANCE PLC	38
EXPENSES FROM SERVICES TO PPC ELEKTRIK TEDARIK VE TICARET A.S.	6,333
EXPENSES FROM SERVICES TO PPC PPC BULGARIA JSCO	34,056
EXPENSES FROM SERVICES TO PPC ALBANIA	0
EXPENSES FROM SERVICES TO EDS AD SKOPJE	547
TOTAL	**1,833,818**


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