



**GEK TERNA SOCIETE ANONYME
HOLDINGS REAL ESTATE CONSTRUCTIONS**

85 Mesogeion Ave., 115 26 Athens, Greece
General Commercial Registry No. 253001000
(former S.A. Reg. No. 6044/06/B/86/142)

ANNUAL FINANCIAL REPORT

for the period

1 January to 31 December 2019

**In accordance with article 4 of L. 3556/2007 and the relevant executive Decisions
by the Board of Directors of the Hellenic Capital Market Commission**

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**I. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS
(according to article 4 par. 2 of L. 3556/2007)**

We

1. George Peristeris, Chairman of the Board of Directors & Chief Executive Officer
2. Apostolos Tamvakakis, Vice Chairman, Independent Non-executive Member of the Board of Directors
3. Constantinos Vavaletskos, Vice Chairman Executive member of the Board of Directors

STATE THAT

To the best of our knowledge:

a. The enclosed annual separate and consolidated financial statements of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period from January 1st 2019 to December 31st 2019, drawn up in accordance with the applicable accounting standards, reflect in true manner the Assets and Liabilities, the Shareholders' Equity and the Total Comprehensive Income of the Company, as well as of the companies included in the consolidated financial statements taken as a total and

b. The Board of Directors' Report accurately presents the developments, the performance and position of the Company, as well as of the companies included in the consolidated financial statements taken as a total, including the description of main risks and uncertainties they are facing.

Athens, 1st June 2020

Chairman of the Board &
Chief Executive Officer

Georgios Peristeris

Vice Chairman

Vice Chairman

Apostolos Tamvakakis

Constantinos Vavaletskos

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II. ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS FOR FY 2019 ON CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Dear Shareholders,

Pursuant to the provisions of Law 4548/2018 (article 150 par. 1,2,3 and article 149 par. 1), Law 3556/2007 article 4 paragraph 2c and the decisions issued thereon 1/434/03.07/2007 and 7/448/11.10.2007 of the Board of Directors of the Hellenic Capital Market Commission, we are hereby submitting to you the annual report of the Board of Directors for the closing year from 01.01.2019 to 31.12.2019

This report contains financial and non-financial information regarding the Group and the Company GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for 2019 and describes significant events that took place during this period as well as their effects along with the prospects for the Company and the Group. Moreover, the report outlines the key risks and uncertainties the Group companies may face in the forthcoming year and, finally, records the significant transactions between the Company and its related parties.

A. Financial Developments and Performance in the Reference Period

In 2019, the basic sizes and prospects of the Greek Economy continued to improve, which, in turn, has led to the corresponding strengthening of a positive economic climate, and the decline in yields on government bonds (where the 10-year bond fluctuated even below the limit of 1%).

GEK TERNA Group continuing its intensive investment plan during the perennial crisis m carried on the implementation of its investment plan in Greece, as its capital structure remains satisfactory. The Group retains its presence outside Greece, since a significant component of turnover of the Energy operating segments arises from the countries in South East Europe and America.

GEK TERNA Group is one of the most significant Greek business groups holding a leading position in the segments of infrastructure, clean energy, electricity generation and concessions. The Group is active in segments (Energy and Concessions) that are more defensive during the phases of the economic cycle, recognised by the investors as "safe haven" that provides stable repetitive cash flows, even in times of turmoil and uncertainty, such as the current period. Furthermore, during the financial crisis in Greece (i.e. the most difficult and longest financial crisis in Europe), the Group has already demonstrated its ability to grow and strengthen its market position.

The existing estimates of COVID-19 effect are analyzed in the significant events after the end of the period 01.1-31.12.2019, in section C of the current report.

The key consolidated financial figures for 2019 based on the International Financial Reporting Standards compared to the financial figures of 2018, are as follows:

Turnover to third parties from continuing operations amounted to Euro 1,156 m, compared to Euro 1,402 m in 2018, presenting a decrease of Euro 246 m.

EBITDA, including non-cash items s from continuing operations (adjusted EBITDA) amounted to Euro 285.1 m in 2019 and Euro 280.8 m in 2018.

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Earnings before taxes from continuing operations amounted to Euro 77.8 m, compared to Euro 60.8 m in 2018, increased mainly due to the increased profits of the Renewable Energy and the Concession Segments.

Earnings after tax and non-controlling interests amounted to Euro 23.4 m, compared to Euro 4.5 m in 2018, positively affected mainly by the increased profits of the Renewable Energy and the Concession Segments.

On 31.12.2019, the Group's Net Debt (cash and cash equivalents less debt) amounted to Euro 1,437 m, compared to Euro 1,327 m Net Debt on 31.12.2018.

On 31.12.2019, the Group's total assets amounted to Euro 4,309 m, compared to Euro 4,010 m on 31.12.2018.

The Board of Directors of GEK TERNA, taking into consideration the Group's investment program, proposes not to distribute dividends.

B. Significant events for the fiscal year 2019

In 2019, the following significant events took place:

- On 05.02.2019, the Concession Company under the title "INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A." was established, which on 21.02.2019 signed the Concession Agreement with the Greek State which have already been approved and have become law of the Greek State. On 31.12.2019, the subsidiary of the Group, TERNA SA, participated in the particular Concession Company in a joint venture with GMR Airports Limited - at 60% and 40% participating interest respectively.

It is noted that after the CCD and according to the concession agreement, participation percentages will be seated t: TERNA 32,46% and GMR Airports Limited 21,64%, as well as the Greek State at 45,9%.

- On 21.02.2019 GEK TERNA Group through its subsidy TERNA S.A., signed with the company HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION the Design and Construct Agreement of the new airport in Heraklion Crete at a budget of Euro 480 million and contractual term of implementation of 5 years.
- On 08.03.2019, the subsidiary of GEK TERNA Group TERNA SA, forming a joint venture with AVAX (AVAX – TERNA JV-MEDITERRANEAN CITY OF DREAMS) and with participation stake of 40%, signed an agreement of Euro 270 million with the company ICR CYPRUS RESORT DEVELOPMENT CO LIMITED concerning the construction of a multithematic park and casino of a total area of 96,000 m² and with a timetable of 30 months in terms of completion.
- In the period of 01.01 - 31.12.2019, the sub-group TERNA ENERGY determined the commencement date of the construction of 3 waste units and landfills, as well as 2 transit stations of the project Integrated Waste Management of the Peloponnese Region, with a total budget of Euro 107 m and at the same time new projects and extensions of existing ones were signed, for a total amount of Euro 24 m.

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- In the context of RAE Decision No. 230/2019, "Conducting a Common Competitive Tender Procedure for Renewable Power Plants" and given the final results of the Electronic Auction held on 15 April 2019, the Wind Farms of sub-group TERNA ENERGY in the Evritania region (in particular KASTRI - KOKKALIA, TYBANO - TRIPIRI, KARAVI ALOGOVOUNI, PIKROVOUNI), with a capacity of 66,6 MW, have been selected to be eligible for support in the form of operating aid through a competitive bidding procedure and a fixed sale price of electricity produced has already been secured.
- On 27.03.2019, the project "Municipal Solid Waste Treatment Plant of Epirus Region" (hereinafter MEA Epirus) commenced commercial operation. The project was implemented by Epirus Region and "Aeiforiki of Epirus", a 100% subsidiary of TERNA ENERGY Group, with the contribution of the Public & Private Partnerships (PPP) Special Secretariat. With the commercial commencement of the Waste Processing Plant of Epirus, an important part of the Regional Waste Management Plan has been implemented. The maximum annual capacity of MEA Epirus is 105,000 tn. The Waste Processing Plant will be recycling at least 17,000 tons of appropriate materials and will be producing green energy of 10,800 KWh per Green Energy year while generate savings of 12,000 tons of CO₂.
- On 22.04.2019, in accordance with Law 3556/2007, GEK TERNA announced that on 17.04.2019, received notification from the shareholder REGGEBORGH INVEST B.V. that a change occurred (increase) in the voting rights of the aforementioned shareholder, i.e. REGGEBORGH INVEST B.V. now holds 27,948,005 shares and voting rights, i.e. 27.0229% of the total voting rights of the Company, amounting to 103,423,291. Shareholder REGGEBORGH INVEST B.V. also owns a financial instrument that can lead to the acquisition of 7,909,588 shares and voting rights, i.e. 7.6477% of the Company's total voting rights. The exercise of the right to acquire the above shares and voting rights may take place at any date between the 275th and the 365th day from 21.03.2019. On 23.12.2019 the shareholder REGGEBORGH INVEST B.V. disposed 2,070,000 shares and voting rights, i.e. 2,002% of the share capital, and at that time held 25,021% of the Company's total voting rights along with the aforementioned financial instrument which may lead to the acquisition of additional 7,909,588 shares and voting rights, i.e. 7,6477% of the Company's total voting rights.

In the same disclosure dated as at 22.04.2019, the shareholder REGGEBORGH INVEST B.V. stated that it is not controlled by another physical or legal person or other entity and does not control another company / companies that have direct or indirect participation in GEK TERNA SA.

- On 28.05.2019, the Company announces that, according to the contractual obligations, deriving from the 21.03.2018 Corporate Bond Loan Program amounting to Euro 120 million, the credit worthiness of the Company has been upgraded by ICAP Group S.A. from level BB to level A.
- On 04.07.2019, the Greek State gave its consent to the amendments of the Articles of Association in accordance with Articles 7.1.3 and 9.2.1 of the Concession Contracts of the Central Greece Motorway and NEA ODOS, for the decrease of share capital by Euro 59 million for CENTRAL GREECE MOTORWAY and Euro 85.8 million for NEA ODOS, with simultaneous and equal conversion of these reductions of share capital to Subordinated debt. At the Shareholders' General Assemblies on 09.07.2019, pursuant to Article 7.1.3 of the Concession Agreement and Article 29 of Law 4548/2018, it was decided to decrease the Share Capital of the Companies by Euro 59 million for CENTRAL GREECE MOTORWAY and Euro 85.8 million for NEA ODOS. The implementation of the above decisions of the General Assemblies took place after the approval by GEMH on 20.09.2019. The Board of Directors of the companies approved the transactions on 24.09.2019 (see Note 12 to the financial statements).

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- On 22.07.2019, the sub-group TERNA ENERGY through its subsidiary and following the disclosure of 7 June 2019, prepaid the total nominal value of the bonds it has issued and made available through a public offering, under the CBL Issuance Program up to 60.000 k Euro from 12.07.2017 and proceeded to the Appointment of a Representative of the Bonds holders (the "CBL Program"), in accordance with the provisions of clause 4 of the CBL Program ("Prepayment"). In this context, 17.07.2019, was set as the last trading day on the ATHEX of the aforementioned bonds. As part of the prepayment and in accordance with the provisions of the CBL Program, the following was paid by the company on Monday, July 22, 2019:
 - (a) the total nominal value of the bonds, i.e. Euro 1,000 per bond;
 - (b) interest accrued until 22 July 2019, the gross amount of interest due for the 4th Interest Rate Period (21.01.2019 - 22.07.2019) amounted to 1,167.8 and
 - (c) an additional prepayment amount equal to 1% of the nominal value of the prepaid bonds, i.e. Euro 10 gross amount per bond.
- On 05.09.2019, the sub-group TERNA ENERGY through its 100% subsidiary TERNA DEN LLC (subsidiary of TERNA ENERGY USA HOLDING CORPORATION) acquired 100% of the Class B (membership interests) of the company BEARKAT WIND I LLC. This company owns 100% of the shares of BEARKAT WIND I LLC, which owns and operates the Bearkat I wind farm in Glasscock County, Texas USA, with an installed capacity of 196.65 MW. The aforementioned transaction took place against a total price of 119,693 (USD 132,357 k). The wind farm has been in operation since January 2018 and its construction has been co-financed by Tax Equity Investor (TEI). Following the completion of the acquisition of the new wind farm, the total installed capacity of TERNA ENERGY sub-group in the USA stood at 648.1 MW.
- Within the 3rd quarter of 2019, the construction of the 158 MW wind farm in Texas, USA (Fluvanna II) was completed by TERNA ENERGY sub-group. The total project budget stood at Euro 224 m. A contract had been signed with the Tax Equity Investor (TEI) to finance the project, which contributed \$ 140.1 m to the construction of the project.
- Within 2019, TERNA ENERGY sub-group started the construction of nine (9) wind farms with a capacity of 121 MW in two parallel phases (4 wind farms in the first phase and 5 wind farms in the second phase) in 9 locations respectively, in Evia. The total budget of the project is approximately Euro 150 m and it is estimated to be completed gradually in the first half of 2020. The total investment of nine (9) wind farms with a capacity of 121 MW from the beginning of construction until the first quarter of 2020 amounts to approximately Euro 109.2 m. The financing of the investment will be performed through equity, bank debt as well as part of the funds raised from the issuance of the new Common Bond Loan of TERNA ENERGY M.A.E.X. with bonds traded in the Regulated Market of the Athens Stock Exchange (CBL 2019).
- On 22.10.2019, the outcome of the Public Offer for the Issuance of the Common Bond Loan amounting to Euro 150 m was announced and the admission of its bonds, by 100% subsidiary TERNA ENERGY MAEX of the sub-group TERNA ENERGY, for trading in the Category of Fixed Securities in Regulated Market of the Athens Stock Exchange. In particular, a total of 150,000 common bonds of nominal value 1,000 euro each (the "Bonds") were allocated, resulting in the raising of funds amounting to Euro 150 m.

The final return of the Bonds was set at 2.60%, the interest rate of the Bonds at 2.60% and the selling price of the Bonds at 1,000 euros each, ie 100% of its nominal value.

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Following this, TERNA ENERGY sub-group will use the raising funds as follows: (a) Total Long-term Bank Loan Repayment (used to repay CBL 2017) amounting to 60,000 (b) Partial Long-term Bank Loan Repayment used to repay part of the acquisition price of the Bearkat I wind farm in the USA in Texas amounting to 30,632 and (c) Construction of 14 wind farms in Greece, with a total capacity of 218 MW amounting to 56,000.

- On 30.10.2019, sub-group TERNA ENERGY announced that the Minister of Environment and Energy approved the Environmental Terms of the project “Amari Rethymno Hybrid Station” promoted by TERNA ENERGY sub-group.

As indicated in the relative Group’s announcement, the Amari Hybrid Station is a major model green investment. The total budget is expected to reach Euro 280 m and over 1,000 jobs will be created during the construction period. It is worth noting that the domestic added value of the investment exceeds 60% and is expected to reach Euro 170 m.

In particular, Amari Hybrid Station is based on the energy utilization of the River Dam and combines wind power generation with its storage through storage pumps. It is a combination of 89.1 MW installed wind farm, up to 93 MW hydroelectric power plant and 140 MW capacity of multiple pumps.

- On 06.12.2019 GEK TERNA SA signed a new Common Bond Loan program with creditor banks amounting to 130,000. This loan was disbursed on 20.12.2019 and was used mainly for the refinancing of the total outstanding balance of 113,130, of the 01.12.2017 Common Bond Loan of 194 m. The basic terms provide for were margin of 3.25% plus six-month Euribor, repayment in installments until July 2026.
- The Extraordinary General Assembly of GEK TERNA S.A. held on 09.12.2019 approved the Company's Remuneration Policy, in accordance with Articles 110 and 111 of Law 4548/2018. It was further decided to amend Article 16 par. 3 of the Company's Articles of Association in order to eliminate the third paragraph on the right of York Global Finance Offshore BDH (Luxembourg) S.a.r.l. to appoint direct members to the Board of Directors. Finally, it was decided the expansion of the Board of Directors with the election of one (1) new executive member of Mrs. Penelope Lazaridou and one (1) new independent non-executive member of Mr. Athanasios Skordas, following a proposal by the Candidates and Remuneration Committee. The term of office of all Members expires on 30.06.2021 and no later than the date by which the Regular General Assembly is to be convened in 2021.
- In December 2019, some entities of TERNA ENERGY sub-group raised additional long-term financing, totaling Euro 136 m and simultaneously repaid long-term financing to a total amount of Euro 64.6 m.
- In compliance with the decisions of the BoD’s of the subsidiaries TERNA SA and TERNA LEYKOLITHI SA as of 23.12.2019 and 27.12.2019 respectively, it was decided to revoke the relevant merger decisions as of 29.06.2018 of the aforementioned companies, in order for, TERNA LEYKOLITHI SA to continue its production operations autonomously as an independent economic unit.

Apart from the aforementioned, no other events took place other than those recorded in the financial statements that relate either to the Group or the Company, to which reference should be made in compliance with the International Financial Reporting Standards (IFRS).

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Construction Segment

Revenues from our construction operations remain significant, while the backlog of construction work is still high, standing on 31.12.2019 at approximately Euro 1.661 billion.

TERNA SA, representing the construction segment, 100% subsidiary of GEK TERNA Group, is one of the strongest Greek construction companies, specializing in complex and demanding infrastructure projects, a partner chosen for collaboration by international groups. TERNA SA holds extensive experience in Greece and abroad and has developed significant synergies with the other segments of the Group – namely, those regarding concessions and energy.

Turnover from construction operations to third parties amounted to Euro 679.8 m compared to Euro 948.9 m in 2018. This amount does not include the turnover between the Group Segments, amounting to Euro 60 m and pertaining to the construction of capital assets for our Group.

Earnings before interest, taxes depreciation and amortization, including non-cash items (adjusted EBITDA), amounted to Euro 10.9 m compared to Euro 32.1 m in the previous year and decreased by 66%. At the same time, the Earnings before interest and taxes (EBIT) amounted to Euro minus 1.6 m compared to Euro 20.1 m in the previous year. The above amounts do not include profits from intra-Group segment revenues.

Construction Sector turnover, Euro 679.8 m, arises from (a) activities in Greece and Cyprus by 87.4%, (b) activities in Balkan countries by 5.1% and c) activities in Middle East countries by 7.5%.

Debt amounted to Euro 136.2 m compared to Euro 105.2 m in 2018, while Net Debt of the construction segment (cash and cash equivalents minus debt) amounted to approximately Euro 67.4 m against a net cash position of Euro 143.1 m on 31.12.2018.

Within the period of 01.01 - 31.12.2019, the commencement date of the construction of 3 waste units and landfills was determined, as well as that of 2 transit stations of the project Integrated Waste Management of the Peloponnese Region, of a total budget of Euro 107 m and, at the same time, new projects and extensions to the existing ones were signed, for a total amount of Euro 24 m.

On 21.02.2019 GEK TERNA Group through its subsidiary TERNA S.A. signed with the company HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION the Design and Construction Agreement of the new airport in Heraklion Crete with a budget of Euro 480 million and contractual term of implementation of 5 years.

On 08.03.2019, TERNA SA, subsidiary of GEK TERNA Group, in a joint venture with AVAX (AVAX – TERNA JV-MEDITERRANEAN CITY OF DREAMS) and with participation stake of 40%, signed an agreement of Euro 270 million with the company ICR CYPRUS RESORT DEVELOPMENT CO LIMITED concerning the construction of a multithematic park and casino of a total area of 96,000 m² and with a timetable of 30 months in terms of completion.

The experience in implementing big-scale construction works in respect of motorways, buildings, ports and construction of large energy projects, as well as the established presence of TERNA in the markets where it operates, give grounds to further improvement of the financial and other sizes of this segment for the Group.

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Energy Production Segment

GEK TERNA Group, operating in the energy segment since the mid - 1990s, is one of the leading players in the Renewable Energy Segment (RES) through the Group TERNA ENERGY SA, as well as in thermo-produced energy, through "HERON Thermolectric SA" and "HERON II".

a) Electricity production from Renewable Energy Sources

The shift into the Renewable Energy Sources (RES) is evidenced at the global level, with the segment standing out as one of the top investment choices over the following years.

In this context, TERNA ENERGY sub-group continues the development of selected RES projects in Greece, at the same time, capitalizing its own experience and know how, intensifies its efforts aiming at a stronger presence in the USA, Poland and Bulgaria. The Group's total installed capacity of RES projects is expected to significantly increase over the following years, given the maturity of the investments that would have been implemented.

Within the context of this strategy, the Group has already placed in operation 1,387 MW in Greece and abroad. In particular, the Group has already installed 607MW in Greece, 648.1 MW in the USA, 102MW in Poland and 30MW in Bulgaria.

TERNA ENERGY sub-group has in its portfolio a series of projects, which are under construction or are expected to start construction immediately. Specifically, on 31.12.2019, the projects under construction concern nine (9) wind farms in Greece with a capacity of 121 MW in 9 locations respectively, in Evia. The completion of the projects is estimated to take place in the first half of 2020. The term of the sales contracts will be twenty (20) years with a guaranteed feed-in-premium sales price if the projects are completed by 31.12.2020.

On 05.09.2019, sub-group TERNA ENERGY through its 100% subsidiary TERNA DEN LLC (subsidiary of TERNA ENERGY USA HOLDING CORPORATION) acquired 100% of the Class B membership interests of the company BEARKAT I TE PARTNERSHIP LL. The aforesaid company holds 100% of the shares of BEARKAT WIND I LLC which owns and operates the Bearkat I wind farm in Glasscock County, Texas USA, with an installed capacity of 196.65 MW.

Within the 3rd quarter of 2019, TERNA ENERGY sub-group completed the construction of the 158 MW wind farm in Texas, USA (Fluvanna II).

In addition, on 30.09.2019 sub-group TERNA ENERGY has received installation license for 20 units of wind energy in Greece with a capacity of 333 MW and, as a result, it can proceed with the construction of the aforementioned units and receive the operation licenses.

Moreover, it has received a production license for 42 projects in Greece with a total capacity of 1,424 MW, for which it has the opportunity to obtain an installation license, provided that it is considered necessary through the strategy of the sub-group's management in the future.

In addition to the aforementioned, regarding other technologies of renewable energy sources, it holds an operating license for 23 units with a production license of 978 MW. Finally, the Group has submitted a licensing request for projects with a total projected capacity of 5,990 MW.

In 2019, TERNA ENERGY sub-group investments stood at Euro 207 m. The Group has been investing an average of approximately Euro 160 m per year for the past five years. The ongoing investment activity of the sub-group creates the conditions for stabilization of increased inflows and profitability on a long-term basis.

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Turnover from energy production from renewable sources activities amounted to Euro 237.3 m compared to Euro 216.3 m in 2018, increased by 9.7%.

Earnings before interest, taxes depreciation and amortization, including non-cash items (adjusted EBITDA), amounted to Euro 178.9 m compared to Euro 156.6 m in 2018 increased by 14.24%. At the same time, Earnings before interest and taxes (EBIT) amounted to Euro 121.7 m compared to Euro 108.8 m in 2018.

b) Electric energy production from Thermal Energy Sources – Electric Energy Sale

In 2019, in the electric energy production segment from thermal energy sources, the Thermoelectric Unit of capacity 435 MW, as well as the smaller unit of capacity 147 MW in Viotia continued to operate.

Under the provisions of IFRS 11, the companies HERON THERMOELECTRIC SA and HERON II SA have been recognized as jointly controlled entities and the incorporation of financial figures is made through the equity method. In 2019, results after tax, which were incorporated, amounted to losses of Euro 5.7 m compared to profit Euro 2.6 m in 2018.

Turnover of electric energy sales segment amounted to Euro 36.9 m compared to Euro 19.7 m in the corresponding period of 2018, increased by 87% compared to 2018. Earnings before taxes, interest, investment, financial results and depreciation and amortization including non-cash items (adjusted EBITDA) of the segment amounted to Euro 2.3 m, compared to Euro 1.6 m in 2018.

Real Estate Segment

The Group continues to hold a conservative attitude towards investment activities in the domestic real estate market. Taking into account the current economic conditions, the Group has decided to disinvest regarding specific real estate items. At the same time, the Group is considering alternative scenarios of exploitation of a part of its investments and wherever deemed necessary, to continue its investments.

Real Estate Turnover stood at Euro 4.7 m, compared to Euro 9.2 m in the corresponding period of 2018.

The decrease in the Turnover of the fiscal year 2019 is mainly due to non-existence of the shopping center leases in Sofia, which was fully operational in 2018 and was disposed of at the end of December 2018.

Earnings before interest, taxes depreciation and amortization, including non-cash items (adjusted EBITDA) amounted to Euro 0.3 m, compared to Euro 4.2 m in 2018. Earnings after tax amounted to Euro minus 0.3 m, compared to Euro minus 6.6 m in 2018. The ratio of Liabilities to Total Assets in the segment is 71.44%, a factor quite safe, given the current financial conditions.

Concessions – Self or Jointly Financed Projects Segment

Under the agreement implemented on 11.12.2018 for the acquisition of the participation of the Shareholder FERROVIAL S.A. in Concession entities NEA ODOS S.A. and CENTRAL GREECE MOTORWAY SA, the Group currently owns 100% of the shares of the concession company NEA ODOS SA and 100% of the concession company CENTRAL GREECE MOTORWAY SA.

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Additionally, the Group participates at a 70% stake in the HELLAS SMARTICKET SA, which has undertaken over from the Athens Urban Transport Organization, the Partnership Contract for the Study, Financing, Installation, Operation Support, Maintenance and Technical Management of a Unified, Automatic Ticket Collection System for OASA Group Companies through PPPs. The duration of the concession has been set to 10 years after the construction period. The method of measuring the annual revenues is recognized in accordance with IFRIC 12 Interpretation, based on the invoicing of the cost of construction, maintenance and operation costs, plus an imputed profit, as determined by the total financial asset.

On 27.03.2019, the Epirus waste treatment plant started operation with a maximum annual capacity of 105,000 tn. The participation of the Group in the company AEIFORIKI EPIRUS MAEX is 100% and the concession term will be 27 years. The method of measuring the annual revenues is recognized in accordance with IFRIC 12 Interpretation, based on the invoicing of the cost of construction, maintenance and operation costs, plus an imputed profit, as determined by the total financial asset.

Turnover of the Concessions Segment amounted to Euro 187 m, compared to Euro 197 m in the corresponding period of 2018.

Earnings before interest, taxes depreciation and amortization including non-cash items (adjusted EBITDA) amounted to Euro 103.6 m, compared to Euro 92.9 m in the corresponding period of 2018.

At the same time, Earnings before Interest and Tax (EBIT) amounted to Euro 52.2 m compared to Euro 49.6 m in the corresponding period.

Furthermore, the Group's operations in the segment of Management and Operation of Car Parking Stations was continued. The total number of the car parking seats attributable to the Group amounted to 2,278.

Industry Segment

The Group, through its subsidiary TERNA LEYKOLITHI SA, is active in the production of quarry products from extracting and processing whitewash, which production is mostly exported.

Turnover of the segment amounted to Euro 9.9 m, compared to Euro 11.3 m in the corresponding period of 2018.

Earnings before interest, taxes depreciation and amortization including non-cash items (adjusted EBITDA) amounted to minus Euro 4.2 m, compared to minus Euro 2.5 m in the corresponding period of 2018.

Following the decisions on 23.12.2019 and 27.12.2019 of the Board of Directors of the subsidiaries TERNA SA and TERNA LEYKOLITHI SA respectively, it was decided to revoke the relevant merger decisions of 29.06.2018 of the aforementioned companies, in order for, TERNA LEYKOLITHI SA to continue its production operations autonomously as an independent economic unit.

Holdings Segment

In 2019, Earnings before tax amounted to Euro minus 9.6 m, compared to Euro minus - 10.1 m in 2018. In 2019, Earnings after tax amounted to Euro minus 5.9 m, compared to Euro minus 10.8 m in 2018. The difference in Earnings after tax is due to the positive effect of the deferred taxation.

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C. Significant Events after the end of the period 01.01 – 31.12.2019

Starting with 01.01.2020 until the date of preparation of the current report, the following significant events took place:

- In January 2020, the subsidiary TERNA S.A. received financing of a total amount of Euro 42 million, out of which Euro 39 million has been allocated to an increase in the share capital of the affiliated company INTERNATIONAL AIRPORT OF HERAKLION CRETE S.A. based on the terms of the concession agreement.
- GEK TERNA SA, as a member of INSPIRE ATHENS, was notified about the decision of the independent administrative authority "Hellenic Gaming Commission (HGC)", in line with the Minutes of the Committee for the concession of a wide-range activities Casino Operating License (EKAZ) in the Hellinikon - Agios Kosmas Metropolitan Pole. The decision pertains to the results of the evaluation phase of the Bidders' Entry Documents. Under the aforementioned decisions, (as announced in the official Press Release of the HGC issued on 20.01.2020), the Bid submitted by SHRE / SHRI, LLC, has been rejected and the Bid, submitted by INSPIRE ATHENS, comprising "MGE Hellinikon BV", "Mohegan Gaming Advisors, LLC" and "GEK TERNA SA" has been accepted.
- On 06.02.2020, following satisfaction of the Terms of the Concession Agreement, the Greek State granted the "License for Establishment and Construction of the New International Airport of Heraklion, Crete" to the company INTERNATIONAL AIRPORT OF HERAKLION CRETE S.A. The above date is hereinafter the date of commencement of the concession. The project will be constructed entirely by the subsidiary TERNA SA. The contractual duration of the concession period is set at thirty-five (35) years from the date of commencement of the concession and includes a five-year construction period.
- On 10.02.2020, the Group through the sub-group TERNA ENERGY donated Euro 3.5 million to Hellenic Armed Forces.
The Group will fully cover the cost of the study, design, and construction of all required projects for the purposes of:
 - (a) Turning 115 Military Airport (Souda) into a Net Zero Carbon Emissions facility.
 - (b) Covering the needs for electricity, heating and cooling facilities at the 115 Military Airport in Souda, 100% from Net Zero Energy Airport and 'electrify' transfers within the Airport.The 115 Military Airport in Souda will be one of the first installations in the world to receive the relevant certifications, while the annual benefit of fully discharging the Unit from the cost of electricity supply and heating needs, will exceed Euro 400 k. This way, the 115 Military Airport will make a significant contribution to addressing climate change and will be equipped with state-of-the-art intelligent energy management systems, without reducing its operational capacity. For the implementation of the necessary projects, the Company will cooperate with the specialized company Easy Power. The budget of the proposal exceeds Euro 3.5 million, while the time required for completion of the project is estimated to be approximately six (6) months from the day of official acceptance of the donation through the Government Gazette and the signing of the relevant contract with the Ministry of National Defense.
- On 26.02.2020, the Board of Directors of GEK TERNA S.A. decided to issue a 7 year tenor common bond loan, amounting up to five hundred million Euro (Euro 500,000,000). The bonds will be made available through public offering to the public in Greece and will be listed in the fixed income securities category of ATHEX regulated market (the "Issuance").

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The Issuance will take place following the relevant approvals of the Hellenic Capital Market Commission and Athens Stock Exchange given that the Loan is covered at least at the amount of four hundred million Euros (Euro 400,000,000).

Through the Issuance of the aforementioned Bond Loan, in the context of implementing its business plan during the following years, the Company seeks to finance further development of the Group through existing and/or new investments, making a significant contribution to development and stimulation of the Greek economy and growth of the country's GDP. In particular, the funds raised from the Issuance (after deducting the Expenditure) will be mostly used to finance (through share capital increase and/or borrowings) the existing and/or new investments of the Group in the operations related to concessions, infrastructure and energy.

- On 12.03.2020, GEK TERNA S.A. informed the investors that following the acquisition of equity shares on 11.03.2020, equity shares held by the Company directly exceeded the threshold of 5%. In particular, the number of equity shares held after the transaction amounted to 5,172,059, i.e. 5,0009% of the share capital. It is to be noted that the subsidiary TERNA S.A. owns 688,205 equity shares, i.e. 0.6654% of the share capital and the subsidiary ILIOCHORA S.A. owns 616,835 shares, i.e. 0.5964% of the share capital, and therefore the total number of equity shares directly and indirectly held after the transaction stands at 6,477,099, i.e. 6,2627% of the share capital.
- On 16.03.2020 The Group has announced that through its sub-group TERNA ENERGY S.A. continues its investment plan in Greece and proceeds with the implementation of new investments in the production of clean energy, with a total budget of Euro 550 million. In this context, is expected the construction of new wind farms in Euboea to be started within the next period, as the acquisition of the portfolio of licensed and under process licensed 270 MW wind farms of the company "RF Omalies S.A." by RF ENERGY S.A has been completed.

At this stage, the construction of wind farms with a total capacity of more than 180 MW is projected, resulting in the total power of the new wind farms launched on the Greek RES market by sub-group TERNA ENERGY, to exceed 400 MW and the total investment value the amount of 550 million Euro. In addition to the aforementioned new investments in wind farms in Euboea, the sub-Group has already launched additional investments, which relate to clean energy storage, such as the Amari Hybrid Station in Crete and the pumping project in Amfilochia. These are two extremely significant investments of approximately Euro 800 million, required to balance transmission networks and transition to a carbon-free economy.

- On 19.03.2020, the Repetitive Bondholders Assembly took place, according to the Invitation of the Bondholders of GEK TERNA CBL 2018 to Assembly dated 06.03.2020, of the bond loan issued pursuant to the Common Bond Loan Programme of an amount up to Euro 120,000,000 and Agreement on Appointment of the Bondholder Agent, ("CBL 2018 Programme"). The Repetitive Assembly approved the relative amendments to the CBL 2018 Programme, subject to the issuance by GEK TERNA of a Common Bond Loan up to five hundred million Euro (Euro 500,000,000), the bonds of which will be made available through public offering to the public in Greece and will be listed in the fixed income securities category of ATHEX regulated market (the "Loan"). The Repetitive Bondholders Assembly authorized the Bondholders Representative to sign the amendment agreement regarding the terms of the CBL 2018 Programme.

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- Under Law 3556/2007, on 24.03.2020, GEK TERNA, following the announcement dated as at 19.04.2019, informed the investors that it had received notification from the shareholder REGGEBORGH INVEST B.V. that on 20.03.2020 the date of exercising the option of the financial instrument it held had expired, which could result in acquisition of 7,909,588 shares and voting rights, i.e. a percentage of 7,6477% of the Company's total voting rights. Therefore, the number of shares and an equal number of voting rights, as long as the aforementioned deadline had expired, stood at 25,968,005 shares and voting rights, i.e. 25,1084% of the Company's total voting rights, standing at 103.423.291.

Under Law 3556/2007, on 26.03.2020, GEK TERNA informed the investors that on that day, it had received notification from the shareholder REGGEBORGH INVEST B.V. that on 24.03.2020 a change (an increase) was performed in the voting rights of the aforementioned shareholder, following which REGGEBORGH INVEST B.V. holds a percentage of 30,2562% of GEK TERNA S.A. voting rights.

- In the first quarter of 2020, TERNA ENERGY group companies received additional short-term financing amounting Euro 134 million, Euro 77 million of which are related to Euboea wind farms.
- On 30.03.2020, TERNA SA (100% subsidiary of GEK TERNA Group) announced that in a joint venture with SIEMENS (association of companies SIEMENS - TERNA) was declared contractor of the project «Study, Supply and Installation of Two Conversion Station and one sub-station for Crete - Attica Electric Interconnection». As announced by "Ariadne Interconnection", subsidiary of ADMIE Group, the total budget of the project amounts to Euro 370 m. From this amount, Euro 358.6 m relates to the construction of conversion stations and Euro 11.4 m to their maintenance. The contract has a term of 36 months and will be signed after its approval by the Court of Audit. According to the same announcement, the project will be included for co-financing in the Operational Program "Competitiveness, Entrepreneurship and Innovation" in the framework of the NSRF 2014 - 2020.
- In March 2020, GEK TERNA and TERNA ENERGY Groups decided, after on-going communication with the Ministry of Health and with Hospital Administrations in various areas of the country, to purchase machinery and materials necessary to facilitate their services. In this context, they acquired:
 - Full equipment for the operation of eight (8) ICU (intensive care unit) beds at "Attikon" Hospital, to meet the needs of the Intensive Care Unit of the University Hospital. The equipment includes eight (8) respirators (one of which is portable for ICU flexibility and transport), nine (9) state-of-the-art monitors (one of which is portable for ICU flexibility and transport), one central monitoring station (for up to 16 monitors) and 18 syringe infusion pumps.
 - Uniforms, masks, antiseptics etc. and other essential supplies for "Evangelismos Hospital" for the protection of the medical and nursing staff of the hospital.
 - Respirators, medical equipment, consumables and kiosks (first reception areas for possible medical occurrences) in regional hospitals (Ioannina, Serres and "Bodosakeio" Ptolemaida).

- **Global Public Health Crisis from the Coronavirus Pandemic (COVID-19)**

GEK TERNA Group is one of the most significant Greek business groups, holding a leading position in the domains of infrastructure, clean energy, electricity generation and concessions. The Management considers that the Group operates in the segments that are more defensive during the phases of the economic cycle, recognized by investors as "safe haven" that provide stable repeat cash flows even in times of turmoil and uncertainty, such as the current period.

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Furthermore, during the financial crisis in Greece (i.e. the most difficult and longest financial crisis in Europe), the Group has already demonstrated its ability to grow and strengthen its market position.

On 30.01.2020, the World Health Organization (WHO) declared that the spread of COVID-19 virus has generated an "extraordinary need for protecting international public health", and following further developments, on 11.03.2020, the WHO declared COVID-19 pandemic that has spread worldwide. The spread of the virus is ongoing and, therefore, its effects cannot be estimated or quantified. Duration and severity of the effects are expected to be determined by the factors, such as: (i) whether the virus is subject to seasonal periodicity, (ii) how long it will take to develop effective methods of treating the disease (vaccine and/or treatment), (iii) the effectiveness of the fiscal and other measures of the countries as well as the decisions of the banking supervisory authorities to facilitate the banking institutions in providing liquidity and support to businesses and households.

In view of the above, and in accordance with the provisions of IAS 10 "Events after the Reporting Period", the pandemic is regarded as a non-adjusting event and is, therefore, not reflected in recognition and measurement of assets and liabilities in the annual financial statements of the Group and the Company for the fiscal year 2019.

As stated in the Morgan Stanley Report (published on 25.03.2020 under the title "Coronavirus: Recession, Response, Recovery"), falling demand and disruptions in supply chains in general are expected to lead to a global economic downturn. However, according to the report, the strong monetary and fiscal policies in place to stem the effects of the pandemic could function as the basis for a recovery, expected to begin in the second half of the current year. The growing turmoil in the US economy seems to be crucial to this prospect. U.S. economists expect a full-year 2020 contraction of 3.0% instead of the previous 0.6% growth forecast. Such a decline would reduce global growth to 0.3% in 2020 from the 3.4% forecast before the outbreak of the pandemic (near the bottom of the global financial crisis of 2009, when the global economy shrank by 0.5%). Given the key assumption that the pandemic crisis is expected to peak in April / May 2020, most of the economic hardship could be concentrated in the first half of 2020, with the global economy shrinking by 0.6% and 2.1% on an annual basis, respectively, in the first and second quarters of 2020. Subsequently and given the estimate that recovery will first appear in the third quarter of 2020, the global economy could recover to 4.8% in 2021, while growth of the Eurozone countries could recover by 5.5% in 2021. Furthermore, a related article in the Financial Times on the business segments that are more resilient during the economic cycle in terms of uncertainty and turmoil such as that of the pandemic, points out energy and infrastructure segments.

As part of public health protection, many countries have adopted emergency, temporary and costly restraint measures (some countries have required companies to restrict or even suspend their usual business activities). Governments, including the Hellenic Republic, have imposed restrictions on traffic, travel, and have introduced strict quarantine measures. Specifically, in Greece, as from 20.03.2020, strict measures were gradually imposed until 04.05.2020 in order to safeguard public health and ensure economic survival of employees, businesses and protect the vulnerable groups. After 04.05.2020, the measures of the lockdown, implemented by the Greek Government, began to be gradually removed and the government's plan for the gradual transition to the new reality began to unfold.

The Group's management, with an extremely high sense of responsibility towards its customers, employees, suppliers, partners and investors, monitors developments regarding the coronavirus disease (COVID-19) and studies the potential risk factors that could affect the Group's financial position, operations and results.

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(i) Group Organizational Planning

Following the first announcements and focusing its priorities on health and safety of its employees and associates, the Group's management reacted quickly and decisively: it scheduled and immediately began to implement a plan of measures and actions, mainly aimed at: creating a safe working environment for all the employees in line with adopting remote work policies whenever feasible and necessary, facilitating security and utilization of the most modern information technology in order to limit travel and transportation, performing video conferences and introducing modern, flexible ways of working depending on individual or special needs of groups of employees. Extremely strict rules of operation have been adopted at all points of presence and operation of the Group in Greece and abroad, in order to constantly ensure the highest possible level of safety for everyone.

At the same time, the Group implemented a program of safe repatriation of its executives and employees from Cyprus in full compliance with the decisions and instructions of the national authorities. In particular, on 01.04.2020, TERNA S.A. (100% subsidiary of GEK TERNA) announced that the process of secure repatriation of approximately 400 employees from Cyprus, previously located at the Group's subsidiaries construction sites is being completed, following the Cypriot government's decision to close all sites in the country (the relative decision was revoked on 04.05.2020). For the vast majority of employees, the repatriation procedure is conducted through special flights organized by TERNA S.A. in collaboration with Aegean Airlines. For repatriated employees, all procedures provided by the State and the National Public Health Organization (NPHO) were followed and GEK TERNA Group has ensured their safe transition to their places of residence, both inside and outside Athens.

(ii) Effects of COVID-19 per major business segment of the Group and measures taken to limit them

The Group has taken all the necessary measures in order to facilitate its key operations, continuing its construction activities, exploiting RES and Concessions, and its investment program in energy and concession segments and strengthening its efforts aimed at stabilization of the Greek economy and employment. The following information is presented below per segment:

Electric Energy from RES Operating Segment:

Electric Energy from RES Operating Segment includes the respective operations of TERNA ENERGY sub-Group. The public policy measures that have been taken and/or will be taken by the Greek government in order to limit the spread of COVID-19 disease are not expected to disrupt the operations of this segment.

The Management has examined the specific conditions that could have a significant impact on the business operations of RES segment and the risks to which it is exposed. Based on the current events and circumstances regarding the spread of COVID-19 pandemic, such conditions are analyzed as follows:

- Regarding the domestic operation's in RES, no effects are expected - an estimate based on the nature of the operations and the existence of long-term contracts with fixed pricing mechanisms (FiT/FiP) that provide stable repeatable cash flows. Regarding foreign operation, the Group Management constantly evaluates the potential effects of price fluctuations in the energy market. Moreover, sub-group TERNA ENERGY continues implementing its investment plan with the ultimate objective of 2GW of total installed capacity (relatively recently new investments of Euro 550 million in Greece were announced) without any delays in the implementation of the investment plan, due to COVID-19. In this context, the Ministry of Environment and Energy has stated that it will take all the necessary measures to ensure adequate funding of the special RES account.

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- The Management states that any delay in the collection of the Group's revenue from DAPEE does not appear today to exceed the production value of six months, as has happened in the past. Within 2020, a six-month delay in payment will create, at least temporarily, a cash deficit of around Euro 120 million. TERNA ENERGY Group's cash flows allow the Management to address any potential cash problem with relative relief without interrupting the pace of implementation of the Group's investment plan. Should the delay exceed 6-8 months of production, the Management will reschedule its investment plan, business and cash flow planning to meet increased cash needs and minimize adverse effects. The controlled slowdown and/or, where appropriate, cancellation of planned investments will prove unavoidable if the delay in recovery goes beyond reasonable limits and market operating practices. But even in such a case, the Group, due to its size, capability, experience, and determined strategy, is ready to strive to maintain its leading position in the RES market and to maintain its competitive edge.
- Moreover, the Management considers that the credit risk, in relation to the energy segment requirements, is limited. The credit risk, in the context of the effects of COVID-19 is limited to the possibility that clients will not correspond with the agreed-upon repayment terms. As at the accompanying financial statements approval date, the Group has not identified significant discrepancies regarding the course of the collectibles to the extent that it might be regarded as an indication of significant delays in RES segment collectibles.

Furthermore, given the volatility dominating the global markets, the investors' demand for RES projects, despite recent reductions in oil prices, has significantly increased (as was the case during 2009 financial crisis), since the investors are looking for low-risk investments and fixed repeatable cash flows. This increased demand is expected to lead to even greater growth in the RES segment.

Constructions Operating Segment

Constructions Operating Segment mainly includes the operations of sub-group TERNA. As far as the operations of the Constructions Segment are concerned, the public policy measures that have been taken and / or will be taken by the Greek government in order to limit the spread of COVID-19 disease are not expected to significantly disrupt the operations of this segment.

The Management has examined the specific conditions that could have a significant impact on the business operations of the Constructions segment and the risks to which it is exposed. Based on the current events and circumstances regarding the spread of COVID-19 pandemic, such conditions are analyzed as follows:

- Delays in the projects implementation schedule: All construction projects in progress in Greece and abroad continue normally, always taking into account the instructions and protection measures announced by local countries and governments. It is to be noted that construction works that have been suspended (i.e. Ptolemaida V following the decision of the General Secretariat for Civil Protection due to increased COVID-19 cases in the region of western Macedonia as well as two projects undertaken by the Group in Cyprus due to similar decisions of the Cypriot government) have been restarted. Regarding potentially minor delays that may occur in the construction projects due to COVID-19 pandemic, the Group is not exposed to the risk of non-compliance with the contractual schedules, since the relevant deadlines are extended accordingly. In addition, it is worth noting that construction contracts also include the relevant terms regarding delays arising from the events that could not be foreseen (force majeure events), providing an additional contractual level of security regarding the progress of projects and their performance/ compensation.

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- Difficulties pertaining to adequacy of the supplies that are critical to construction projects: the particular needs have been timely identified and the appropriate arrangements have been made with key suppliers collaborating with the Group, with whom long-term trade relations have been established. No such delays are expected. Regarding construction projects at a particularly advanced stage of construction, it does not seem that such a need will arise, as the volumes of the remaining supplies are of such a size that no issue is expected to arise. Regarding the construction projects that are at the early stages of implementations, such issues have also been reviewed for the existence of alternative distribution networks, in the unlikely remote case the existing suppliers cannot meet the requirements of the Group's supplies (no such possibility).
- Delays in project assignments: Notwithstanding extraordinary critical circumstances arising due to the global public health crisis, the Greek state has not yet announced suspension of any project assignments procedures, as an initiative for practical support to the Greek economy. However, according to Article 60/Legislative Act (PNP) 20.03.2020, as long as immediate risk of COVID-19 spread is still effective, confirmed by a decision of the Minister of Healthcare, and for a period not exceeding six (6) months from the entry into force of the Legislative Act, following a decision of the competent Minister, as the case may be, a series of measures can be taken, such as (a) postponing public tenders, (b) extending the date for submitting applications or offers in cases where a notice has been published, (c) granting an extension for any kind of contractual term, for a period of time to be determined by the relevant decision.
- In the context of COVID-19 pandemic, credit risk is limited to the probability that customers will not meet the agreed-upon repayment terms. Significant delays in project payment schedules, based on current data, are not estimated to exist. The Management estimate's are based on the following factors: (a) firstly, that the Greek State is the Employer of most of the construction projects undertaken by the Group, and, in most cases, has constantly uninterrupted flow of resources (e.g. European resources or resources secured by concession companies which have assigned construction projects to Terna S.A.) and (b) secondly, that support packages for the economy of European countries are already expected to be delivered by the European Central Bank (ECB) in order to mitigate the economic effects of COVID-19.

As universally known, infrastructure constitute one of the cornerstones for the recovery of the economy - and TERNA S.A. is in an advantageous position due to (a) its dominant position in the construction industry in combination with the experienced and proven effective management team, (b) its strong financial position, which facilitates it to support timely completion of all projects that it has and/or will undertake, (c) the significant tendency regarding decreases in the prices of raw materials/commodities (such as diesel, asphalt, steel, etc.) and (d) the support of the Group by the Greek banking system and by insurance companies, facilitating significant level of available limits set for the issuance of letters of guarantee.

Given the need to boost the economic recovery as a result of COVID-19 crisis, the Minister of Infrastructure and Transport has stated that the start of major projects is an immediate priority for the Greek Government. In particular, the Minister commented that the Greek Government intends to alter the institutional framework for tender procedures, so as to speed up licensing to include in strategic investments the major infrastructure projects, exceeding Euro 13 billion.

Concessions Operating Segment

Concessions operating segment mainly includes motorways concessions companies (NEA ODOS CONCESSION S.A. and CENTRAL GREECE MOTORWAY CONCESSION S.A.) and Kasteli airport concession (INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.).

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The Management has examined the specific conditions that could have a significant impact on the business operations of the motorways companies and the risks to which they are exposed. Based on the current events and circumstances regarding the spread of COVID-19 pandemic, such conditions are analyzed as follows:

- Disruptions and restrictions on traffic and movement of vehicles as a result of the measures, imposed by the state: Any assessment of the impact on motorway traffic depends on: (a) the spread of the virus in the country and (b) the time of restrictions and specific prevention measures that the state has taken or will take – which, currently, cannot be assessed. In any case, it is to be noted that given the insufficient number of high quality side roads, domestic motorways are more competitive compared to those located in other countries. In particular, and according to the latest traffic data, the motorway companies prove to be more resilient than other country's motorways, since the key Greek motorways between Athens and Thessaloniki seems to be recording the smallest decrease. The impact on revenues is significantly lower due to the increased use of heavy vehicles (trucks, cargos, etc.) which have been less affected by the restrictive measures taken in order to prevent the spread of COVID-19 as well as due to the lower dependence of these highways on tourists' vehicles. Moreover, Concession Agreements include Contractual Provisions that protect the Companies from events and situations such as COVID-19 pandemic and the impact of its mitigation measures, providing an additional contractual level of security regarding the performance of companies. The companies are in the process of evaluating the effects and communicating with the Greek State, in the context of the relevant provisions of the Concession Agreements.
- Furthermore, according to the financial models approved by the creditors of NEA ODOS and CENTRAL GREECE MOTORWAY, distributions to GEK TERNA are protected by a significant size of available cash flows prior to any reduction in their total volume during the total concession period. It is to be noted that as from 04.05.2020, the government decided to partially lift the restrictive measures. In addition, according to the provisions of the Concession Agreements, any amount that may not be distributed due to the above disturbance (and up to the contractual maximum amount of distributions) may be distributed in the next few periods, ie as soon as the regularity of motorways traffic returns.
- Delays in the current assignments of all kinds of projects (construction, maintenance, software application development, etc.). The motorway companies have reviewed the submitted offers and assignments and determined individual approaches to every one of them. Moreover, the companies closely monitor the schedules and the developments of their suppliers and have designed a plan for alternative use of resources and other offers in case of potential inactivity of the suppliers. In particular, with regard to the under-construction southern section of E65 motorway, works are in progress, in compliance with the state directives and protection measures imposed to prevent the spread of COVID-19. In addition, since the project belongs to the Greek State, funding is provided through European resources. Adequacy of critical supplies for the operation and maintenance of highways was timely addressed through finding alternative sources, in close cooperation with the competent department of GEK TERNA Group, but mainly through the assistance of the existing suppliers, with whom long-term commercial relations have been established.
- The Group is in the process of evaluating cash flows of motorway companies, arising from tolls, using revised estimates and assesses, where possible, the measures, in particular with regard to revising, in terms of implementation time, certain investments and adjusting maintenance expenses to the current traffic volumes.

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Regarding Kasteli airport concession in Crete, after the concession commencement date in February 2020, the study-construction period of the airport (of a five-year duration) has begun and is in progress according to the terms of the concession agreement. In addition, since during the first part of the construction period, the project is at the stage of completing the technical studies for a period of at least six (6) additional months, no impact is expected.

It should be also noted that that Kasteli concession agreement has been specifically structured to facilitate protection on the concessionaire from the events that could not be foreseen (force majeure events), - such as COVID-19 - providing an additional contractual level of security in terms of the project's progress and performance.

Summary

The economic impact of the current crisis on the global economy and overall business activities cannot be currently assessed with reasonable certainty, given the rate of COVID-19 spread, on one hand, and the high level of uncertainty arising from the inability to reliably project the result, on the other hand.

As far as the financial position of the Group is concerned, as at the Annual Separate and Consolidated Financial Statements for the period ended 31.12.2019 reporting date, as well as currently, the Group maintains sufficient capital adequacy and liquidity and continues to fully comply with its obligations to suppliers, the Greek State, insurance organizations, creditors, etc. Moreover, the Group goes on implementing its investment plan and creates conditions for further development of its operations in domestic and foreign markets.

In conclusion, all the above factors were reviewed in order to assess the effects of COVID-19 on the Group's operations within 2020, regarding which inherent uncertainty is effective, given the current events and circumstances as at the accompanying financial statements approval date. The Management estimates that there is no uncertainty regarding the Company's and its subsidiaries' ability to continue as a going concern, which is the key prerequisite for the preparation of financial statements.

D. Risk Factors and Uncertainties

The Group's operations are subject to various risks and uncertainties, such as the return of macroeconomic uncertainty, market risk, credit risk and liquidity risk, wind and weather conditions, the uncertainty of the results from the impact of emergency events (COVID-19) which may have a prolonged and unforeseen term.

To address financial risks, the Management has put in place the plan aiming to reduce the adverse impact on the financial results of the Group, arising from the inability to project financial markets and fluctuations in cost and sales variables.

The financial instruments used by the Group comprise bank deposits, mainly long-term and secondarily short-term loans as well as derivatives, trade debtors and creditors, other accounts receivable and payable. The impact of the main risks and uncertainties on the Group's activities is analysed below.

In order to address the effect of the extraordinary event of COVID-19, the Group implements a set of measures with the main focus on protecting the Group's staff and minimizing the economic consequences of the precautionary measures taken by the Greek State.

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Credit risk

The Group continuously monitors its receivables, either separately or per group and encompasses all the arising information into the review of the credit risk. When deemed necessary, external reports or analyses related to effective or potential clients are used.

The Group is not exposed to significant credit risk arising from trade receivables. This is attributed to the Group's policy, which is focused on cooperation with reliable clients and to the nature of the Group's operations.

In particular, total receivables, whether related to the narrow or the broader public sector, or private sector clients with significant financial position in Greece and abroad, are under special monitoring and the Management constantly assesses the reliability of its customers, their financial sizes regardless of whether they are a broader public or private entity, for potential implications, in order to take the necessary measures to minimize any adverse effects for the Group.

It is to be noted, however, that there are some time delays in payments by companies controlled by the public sector.

The credit risk regarding cash and cash available and other receivables is considered limited given that the counterparties are reliable Banks with high quality capital structure, the Greek State and the broader public sector and strong Groups of companies.

The Management assumes that the aforementioned financial assets for which necessary impairment is calculated are of high credit quality.

Foreign exchange risk

Foreign exchange risk arises when the fair value or future cash flows of a financial instrument is subject to fluctuations due to changes in exchange rates. This type of risk may arise, for the Group, from foreign exchange differences at the valuation and conversion into the Group's currency (Euro) of financial assets, mainly financial receivables and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Group's entities. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as net investments in foreign operations.

The Group operates in Greece, Eastern Europe and the United States, mainly for investments in renewable energy and selectively in the undertaking of construction projects, according to historical data and therefore may be exposed to foreign exchange risk that may arise from Euro exchange rate with other currencies. To manage this risk category, the Group's Financial Management Department uses financial instruments and on the basis of specific policies to offset the Group's exposure to foreign exchange risk.

Regarding the Group's transactions with foreign companies, they are usually performed with European Groups where the settlement currency is Euro and regarding the transactions in the USA, the settlement currency is dollars, so as to minimize the risk.

Interest Rate Risk

The Group's policy is to minimize its exposure to the interest rate risk of long-term financing. Under this policy, medium-term loans are mainly in Euro, with fixed spread and a floating base interest rate linked to Euribor. In order to reduce the interest rate risk associated with long-term financing and to reduce the consequent volatility of financial expenses, the Group implements specific policies that include Interest Rates Swaps.

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The biggest component of the Group's short-term debt is in Euro at a floating base interest rate linked to Euribor. Short-term loans are mainly issued either as working capital or for the initial financing of the construction of the Group's investments. The Group's policy is to convert these loans into long-term fixed spreads linked to Euribor and, where deemed necessary due to repayment time, to implement approved interest rate risk management policies through Interest Rate Swaps.

On 31.12.2019, 28.68% of the Group's total debt bears fixed interest rate, 33.76% bears floating interest rate that have been compensated through derivatives, with which future fixed interest rate payments are exchanged, against floating receivables, while 37.56% of the Group's loans bear floating rate based on the Euribor or wibor on a case basis.

These loans are repaid either through collections of trade receivables, or during the collection of the relevant state grants or through the operating cash flows from the Group's operations.

Sensitivity analysis of interest rate risk

The following table presents the sensitivity of profit or loss for the period against the Groups short-term debt and deposits, towards a change in interest rates amounting to +/-20% (2018: +/-20%). The changes in interest rates are estimated to be logical in relation to the current market conditions and until now they have been consistent with the previous year.

	2019		2018	
	20%	(20)%	20%	(20)%
Net earnings after income tax (from interest bearing liabilities)	(195)	195	(218)	218
Net earnings after income tax (from interest earning assets)	84	(84)	86	(86)

The Group is not exposed to other interest rate risks

Market risk analysis

The Group is not exposed to market risk regarding its financial assets.

Liquidity risk analysis

The Group's liquidity is considered satisfactory, as in addition to cash available, the cash flows generated by the Concessions of the motorways and the operating wind farms, are ongoing.

The Group manages liquidity needs by closely monitoring the progress of long-term financial obligations, as well as the payments made daily. Liquidity needs are monitored in different time zones, on a daily and weekly basis as well as in a rolling period of 30 days. Liquidity needs for the next 6 months and next year are determined on a monthly basis.

The Group maintains cash and cash available in banks to meet liquidity needs for periods up to 30 days. The funds for the medium-term liquidity needs are released from the Group's time deposits.

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Risks from the current economic conditions existing in Greece

As it has already been noted, Greek economy has been affected by the conditions precedent due to Covid-19 pandemic, bearing as a result a certain recession for the current year. The Greek government estimates are based on the scenario that the conditions will be rapidly improved within 2021.

Despite the aforementioned new conditions, the Group's operations continue uninterruptedly as possible, as long as the basic Groups' operating segments (ENERGY, CONCESSIONS) present significant defensive characteristics. The Management constantly assesses the conditions and the potential effects of the sound operation and extraordinary events, in order to ensure that all the necessary and possible measures and actions are timely put in place in order to minimize any impact on the Group's operations. The Group's Management objective is to directly inform the investors about any significant impact potentially brought about by the effective conditions.

Other risks and uncertainties

The backlogs of the construction contracts do not necessarily constitute an indication of future revenues from the Group's operations in this segment. Although the backlogs of these contracts represent works that are considered certain, no guarantee can be given that cancellations or adjustments will not be performed. The backlogs of the Group's construction contracts may fluctuate in connection with the delays in the projects implementation and/or receivables or inability to fulfil contractual obligations.

Tender procedures

GEK TERNA SA, its subsidiaries TERNA SA and TERNA ENERGY SA, as well as almost all Greek Construction Companies and a significant number of foreign companies, were audited ex officio by the Hellenic Competition Commission (ECC) regarding their operations and actions which may be considered that they lead to a violation of the relevant rules.

Further, the Company and its above subsidiaries, pursuant to article 25a of Law 3959/2011 and the decision num. 628/2016 of HCC (Plenary Session) and following considerable concern, submitted, on the grounds of an apparent corporate interest and in order beneficial provisions of article 25A and 14 par. 2 case (id)(ee) of Law 3959/2011 and the decision with no. 628/2016 of HCC, regarding the terms, conditions and procedure for resolving disputes in cases of horizontal partnerships in violation of Article 1 of Law 3959/2011 and/or Article 101 of the Treaty on the Functioning of the European Union, the request to be subject to the prescribed disputes settlement procedures, i.e. through a consensual resolution process.

On 03.08.2017, the decision num. 642/09.03.2017 of the HCC was disclosed to the Company and its subsidiaries TERNA and TERNA ENERGY, whereby a. It was ascertained that no legal violations of Art. 1 of Law 3959/2011 for the Company and TERNA ENERGY were established and no fine and/or penalty is imposed and b. a fine of Euro 18,612 is imposed on the subsidiary company TERNA SA for violation of article 1 of Law 3959/2011 and article 101 of TFEU (for the period from 11.05.2005 to 04.01.2007 and from 04.06.2011 to 26.11.2012). The settlement procedure for the subsidiary TERNA was finalized and the amount of the fine amounted to 18,612, which was paid in full within 2018.

Furthermore, according to the provisions of art. 44 par. 3 of Law 3959/2011, in combination with the article 73 par.4 case c) of Law 4412/2016 as in force today, after being amended by article 235 of Law 4635/2019, (Government Gazette A 167/30.10.2019) by subjecting it to article 25a of Law 3959/2011 and TERNA's payment of the administrative fine imposed, as stated, in total exemption from any other administrative sanctions, which undoubtedly includes the administrative exclusion from ongoing and future tender procedures or concessions.

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Needless to note that the Group and its companies, as well as TERNA, SA, have voluntarily adopted a series of compliance and remedial measures, which are constantly evolving and updated, thus further demonstrating their credibility and solvency.

E. Alternative Performance Measures (“APMs”)

In the context of implementing the Guidelines on “Alternative Performance Measures” of the European Securities and Markets Authority (ESMA/2015/1415el) effective as from July 3rd 2016 in respect of Alternative Performance Measures (APMs)

The Group applies Alternative Performance Measures under decision making regarding its financial, operational and strategic planning as well as when evaluating and recording its performance. APMs facilitate better understanding of financial and operating results of the Group and its financial position. APMs should always be taken into account in conjunction with the financial results recorded under IFRSs and should under no circumstances replace them.

The following ratios are used for describing the Group’s performance per operating segment:

“Net Debt/ (Surplus)”

It is a ratio, through which the Group’s Management assesses the cash position of an operating segment at any given time. The ratio is defined as total loan liabilities and bank leases less cash available. If restricted deposits are excluded from the aforementioned ratio, (Note 20) and grants to be repaid (Note 31) are added, then the item of “Net Debt/(Surplus)” less restricted deposits and grants to be returned” will arise.

The ratio is recorded as follows in 2019 and 2018:

	GROUP	
	31.12.2019	31.12.2018
Long-term loans (Note 24)	1,788,773	1,567,788
Liabilities from bank leases (Note 25)	6,848	6,547
Short-term loans (Note 32)	130,598	125,421
Long-term liabilities payable during the next financial year (Note 24)	105,123	150,910
Total bank debt	2,031,342	1,850,666
Less: Cash and cash equivalents (Note 23)	(594,671)	(523,242)
Net Debt / (Surplus) (Note 6)	1,436,671	1,327,424
Less: Restricted deposits (Note 20)	(51,547)	(63,908)
Add: Approved and collected Grants to be returned (Note 31)	3,024	3,024
Net Debt / (Surplus) after restricted deposits and Grants to be repaid	1,388,148	1,266,540

Bank Debt to Total Capital Employed”

It is a ratio, based on which the Management assesses the Group's financial leverage. “Total bank debt” is defined as the sum of Short Term Loans, Long Term Loans, Bank lease liabilities and Long term liabilities payable during the next financial year.

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The **“Total Capital Employed”** is defined as the sum of Total Equity, Total bank debt and Equity investments equivalent to financial liabilities (Note 26), the repayment of which follows the repayment of primary debt of the corresponding Wind Farms and is performed only to the extent that the required return from their operation is met, the state grants minus the amount of cash and cash equivalents which are not subject to any limitation in use or to any commitment.

The ratio in 2019 and 2018 is as follows:

	GROUP	
	31.12.2019	31.12.2018
Total bank debt (Note 6)	2,031,342	1,850,666
Total equity	766,875	728,998
Equity investments equivalent to financial liabilities (Note 26)	375,772	160,390
Grants (Note 29)	154,699	162,000
<i>Less:</i>		
Cash and cash equivalents (Note 23)	(594,671)	(523,242)
Blocked bank deposit accounts (Note 20))	(51,547)	(63,908)
Approved and collected grants to be returned (Note 31)	3,024	3,024
Cash and cash equivalents and deposits	(643,194)	(584,126)
Total Capital Employed	2,685,494	2,317,928
Total Bank Debt / Total Capital Employed	75.64%	79.84%

EBITDA (Earnings Before Interest Taxes Depreciation & Amortization)

It is a ratio, based on which the Management of the Group assesses the operational performance of an operating segment. "EBITDA" is defined as Earnings Before Interest & Taxes (EBIT), plus depreciation and amortization, less any equity-based grants as presented in the accompanying financial statements.

Adjusted EBITDA (Adjusted Earnings Before Interest Taxes Depreciation & Amortization)

"Adjusted EBITDA" is defined as EBITDA, plus any non-cash items.

EBIT (Earnings Before Interest and Taxes)

EBIT is defined as the Gross Profit less Administrative and Distribution Expenses, less Research and Development Expenses, plus/less Other Revenues/(Expenses) EBIT determinants. Other Revenues/(expenses) EBIT determinants are defined as Other Revenues/(Expenses) apart from the items of Foreign Currency Translation Payment and Valuation Differences, Impairments/(Reversals of Impairments) of fixed assets, Other Impairments and Provisions and Impairments/(Reversals of Impairments) of receivables, as presented in Note 40.

EBITDA and Adjusted EBITDA ratios for 2019 and 2018 per operating segment and as a total are presented below as follows:

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Business segments 31.12.2019	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Consolidated Total
Gross profit	34,532	122,512	2,228	30	(1,080)	78,051	203	236,476
Administrative and distribution expenses	(33,629)	(20,223)	(315)	(913)	(4,764)	(9,554)	(6,261)	(75,658)
Research and development expenses	(1,082)	(1,457)	0	0	(304)	(1,089)	0	(3,931)
Other income/(expenses) attributable to EBIT	(1,453)	20,823	305	784	(4,680)	(15,241)	(165)	373
Operating Results (EBIT) from continuing operations	(1,631)	121,655	2,218	(99)	(10,828)	52,168	(6,223)	157,260
Net depreciation	11,266	56,192	41	606	2,191	44,201	131	114,628
EBITDA from continuing operations	9,635	177,847	2,259	507	(8,637)	96,369	(6,092)	271,888
Non-cash items	1,261	1,077	0	(837)	4,483	7,261	16	13,261
Adjusted EBITDA from continuing operations	10,896	178,924	2,259	(330)	(4,154)	103,630	(6,076)	285,149

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Business segments 31.12.2018	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Consolidated Total
Gross profit	49,858	110,377	1,512	4,465	(549)	71,853	(97)	237,419
Administrative and distribution expenses	(30,353)	(14,050)	(206)	(730)	(4,008)	(8,824)	(7,116)	(65,287)
Research and development expenses	(191)	(1,045)	0	0	(340)	(15)	0	(1,591)
Other income/(expenses) attributable to EBIT	792	13,575	265	(5,038)	134	(13,464)	(317)	(4,053)
Operating Results (EBIT) from continuing operations	20,106	108,857	1,571	(1,303)	(4,763)	49,550	(7,530)	166,488
Net depreciation	10,136	47,693	27	705	2,207	42,821	26	103,615
EBITDA from continuing operations	30,242	156,550	1,598	(598)	(2,556)	92,371	(7,504)	270,103
Non cash items	1,879	77	0	4,770	66	551	3,353	10,696
Adjusted EBITDA from continuing operations	32,121	156,627	1,598	4,172	(2,490)	92,922	(4,151)	280,799

Non cash items for 2019 refer to staff compensation provision 1.599, expense recognized from stock option exercise, (gains)/ reduction of investment properties (1.507), heavy maintenance provisions, stock and natural landscape restoration 13.169.

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F. Report concerning Payments to the Government

In compliance with the provisions of article 6 of Law 3556/2007, as currently effective, given the mining activity concerning its subsidiary company TERNA LEYKOLITHI, the Group paid to the Greek Government an amount of Euro 56,419 during the financial year ended as at 31.12.2019.

G. Non-Financial Information Report 2019

Introduction

This Non-Financial statement relates to the fiscal year ended on the 31st of December 2019. The Statement has been prepared in accordance with the provisions of the Law 4403/2016 and includes information on the performance of the GEK Terna Group of Companies related to the following areas, as outlined in Section 7 “Non-Financial Statement” of Circular 62784/2017:

- Anti-corruption issues
- Supply Chain issues
- Respect for human rights
- Social and labor issues
- Environmental issues

The statement presents information on the main risks related to the above areas and the Group's activities, the due diligence policies as well as other policies applied by the Group for each of the above areas. For a better understanding of the Group's performance, the results of these policies are referenced and relevant financial and non-financial performance indicators are listed. In addition, a brief description of the Group's business model is provided.

The requirements of the Global Initiative Standards (GRI), 2016 version, and the Athens Stock Exchange ESG reporting guide were taken into account for selecting the non-financial indicators

Business Model

GEK TERNA GROUP is one of the largest business Groups in Greece and operates in Central and Southeastern Europe, the USA and the Middle East.

The Group has a leading position in the fields of infrastructure, energy production, supply and trade from thermal sources and RES, concessions, waste management and real estate development & management.

GEK TERNA (www.gekterna.com) is listed on the Athens Stock Exchange (FTSE / Athex Large Cap) with a turnover of up to Euro 1.2 billion and total investments of more than Euro 2.5 billion. The current construction backlog of the Group settles at the high level of Euro 1.661 billion, while the total capacity of the energy plants that the Group owns or participates in, exceeds 2,500MW. Emphasizing international orientation, the Group has established its presence in 16 countries on 4 continents while, following the completion of projects abroad, it employs approximately 4,400 employees.

As a socially responsible Group, its business activity evolves hand in hand with a long-term value creation, giving priority to the individual, the environment and the society.

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Throughout its history, the Group has built relationships of trust with all its stakeholders, remaining true to the principles governing its business operations and activities:

- Respect for people and the natural environment.
- Value creation for its employees, partners, customers and shareholders.
- Honesty and credibility.
- Targeted social contribution.

Infrastructure

GEK TERNA Group, is actively involved in the construction sector for almost half a century, through its 100% subsidiary TERNA S.A. TERNA (www.terna.gr) was founded in 1972 and since then it has been actively involved in the implementation of a broad spectrum of public and private projects of considerable budget and complex know-how, such as the construction of railway and highway networks, high - quality office buildings, hospitals, museums, resorts, hydro-electric plants, dams, harbors, industrial facilities, power plants etc. TERNA, through its effective organizational structure, is steadily consolidating its international presence in Europe and the Middle East.

Concessions

The Group displays an impressive dynamic through its involvement in the financing, management and commercial exploitation of concession projects. Besides the road concessions of “Ionia Odos” and “Central Greece Motorway” which it control by 100% and its participation in “Olympia Odos” concession with a percentage of 17%, the Group has constructed and participates in the operation of ten (10) car parks in Greece. Moreover, the concession company “Heraklion International Airport of Crete”, established in February 2019, has signed the concession agreement with the Greek State for the construction and operation of the Heraklion Airport. Moreover, the Group, through its subsidiary TERNA ENERGY participates by 70% in HELLAS SMART TICKET S.A. the company that has undertaken the PPP project for the Design, Financing, Installation, Operation Support, Maintenance and Technical Management of an Integrated Automatic Fare Collection System (AFCS) for the Athens Public Transport Organization.

Clean Energy

GEK TERNA Group is involved in the RES sector through TERNA ENERGY S.A (www.terna-energy.com), a leading company in Greece in the field of Clean Energy. With presence in Europe and the USA, it is active in the development, construction, financing and operation of RES projects (wind, hydroelectric, solar, biomass, waste management) and is listed on the Athens Stock Exchange (FTSE / Athex Large Cap).

Through TERNA ENERGY, the GEK TERNA Group continues to invest in the RES sector and at the end of 2019 it had in operation a (maximum delivered) power of 1,361.9 MW and installed capacity 1,386.5 MW in Greece and abroad.

More specifically, it has installed and operates 606.4 MW in Greece, 648 MW in the US and 132 MW in Central and Eastern Europe. In addition, the Group has under construction / ready for construction in Greece RES facilities with a total capacity of 122 MW.

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Thermal Energy

GEK TERNA Group operates in the sectors of electric energy production and supply through its participation in "HERON THERMOELECTRIC S.A" HERON I (with ENGIE) and in "HERON VOIOTIA THERMAL POWER PLANT S.A" HERON II (ENGIE and QATAR Petroleum considered as significant worldwide entities).

The two power plants are located in Voiotia, Greece and their installed capacity is 147 MW and 435 MW (HERON I and HERON II respectively).

Waste Management (Biomass)

GEK TERNA Group has expanded its activities in the waste management sector in Greece and abroad, undertaking projects in the private and public sectors. Through its subsidiary TERNA ENERGY, GEK TERNA Group has participated in all the big tenders released throughout Greece and has undertaken the waste management projects of the Region of Epirus and the Region of Peloponnese.

The Epirus Waste Management Unit is in commercial operation and has an operating horizon of 25 years.

Real Estate

GEK TERNA is also engaged in real estate development and management with a broad portfolio in Greece, Bulgaria and Romania, including business centers, logistic centers, industrial parks, entertainment parks, residential properties, commercial properties, hotels, etc.

Anti-Corruption

Major risks and risk management

The Group identifies the occurrence of incidents of corruption, bribery and extortion as risks in the performance of its business and operational activities and operations. Potential occurrence of such incidents may have negative impacts for the Group both at a financial (e.g. fines) and/or at an operating level (e.g. interruption of business) as well as at the level of diminishing the Group's reputation and disrupting its relationship with the various groups of stakeholders with whom it interacts.

The fight against corruption by the Group is highly important not only for dealing with potential negative effects on itself, but also more broadly on society, the economy and the environment. In this context, the Group acknowledges that tackling corruption is preventing human rights abuses, potentially harmful environmental activities and even ineffective investments.

For the Group to identify the risks associated with corruption, bribery and regulatory compliance, a specific procedure is implemented which takes into account various parameters such as the type of activity, the geographical location, all involved parties, etc.

Due diligence and other policies

Combating corruption is a key pillar of the Group's operation, which has been committed to demonstrating zero tolerance for such incidents, by promoting transparency, ensuring business ethics and regulatory compliance that are diffused across the range of activities and affect the professional behaviour of its people.

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To this end, the Group acts through the establishment of policies and procedures, but also through the creation of control mechanisms and compliance with these policies. In particular, the Group:

- Implements a Code of Conduct.
- Monitors the proper implementation of the Code of Conduct on a daily basis.
- Organizes targeted trainings and briefings, in person or online (e-learning), on the Code of Conduct, Corruption and Bribery Control for all employees.
- Ensures the possibility of reporting any discrepancies or concerns in relation to the Code's implementation to the Board of Directors.
- Assesses any discrepancies and takes all necessary legal actions.

Code of Conduct

The Group's Code of Conduct is a reference point for all its employees and associates (suppliers, subcontractors), serving as the basic framework of values and principles that should characterize their professional behaviour. The Code reflects the Group's fundamental principles, beliefs, corporate culture, business ethics and voluntary ethical commitments. Issues related to the fight against corruption and bribery are at the heart of the Code.

The Code's implementation extends to all companies and subsidiaries of the Group at a national and international level, applies to all activity areas and is taken into consideration in the partnerships as well as consortia in which it participates.

The Regulatory Compliance Committee, which reports directly to the Board of Directors, monitors the implementation of the Code of Conduct. Additionally, the Group maintains a program of internal inspections by the Head of Regulatory Compliance, aiming at monitoring the implementation of the Code.

The Group ensures the organization of trainings and targeted briefings of the staff, on an annual basis, aimed at raising awareness while continuously informing them about corruption incidents and ways to combat them. From the very first day of recruitment, all employees are informed about the contents of the Code and validate with their signature the employment contract and therefore the Code of Conduct's content described therein.

The Group employees are obliged to inform about any discrepancies or concerns in relation to the Code's implementation, which fall into their perception, through an eponymous, printed letter to the Head of Regulatory Compliance. The aim of the Group is to strengthen and improve the prevention and control procedures of potential corruption risks, to comply with relevant legislation and intensify relevant controls.

The Head of Regulatory Compliance is responsible for the investigation and evaluation of any complaint received, and thereafter, takes all the necessary corrective actions in the context of applicable law and the Group's policies. In case of discrepancies in the Code's implementation, the legal actions provided by the current institutional framework and the Labor Code, may include the cessation of cooperation, the imposition of a fine and / or criminal clause as well as the activation of civil and criminal proceedings.

Results of the above policies and non-financial performance indicators

ISO 37001: 2016 and ISO 19600: 2014 certification

In 2019, the Group received certification in accordance with ISO 37001 standards for combating bribery and ISO 19600 for regulatory compliance.

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GRI 205-3: Confirmed incidents of corruption and actions taken

In 2019, there were no confirmed corruption incidents that came to the attention of the Group's management, either through complaints or through the audits performed by the Group itself in the context of preventing and combating any corruption incidents.

Supply Chain

Major risks and risk management

The Group works with suppliers and subcontractors on a daily basis, for a broad spectrum of its business activities. In the field of infrastructure, most of the Group's expenditure is on supplies of materials, construction and transport machinery. Therefore, a potential change in construction activity may result in an immediate change in demand for suppliers. Respectively, the Group's profitability in construction projects directly affects the pace of renewal of the construction equipment supplied by the group for the completion of its projects. This dependent relationship (Group-Suppliers / Subcontractors) may adversely affect the parties involved in the event of incidents that impede the smooth operation of the supply chain.

For instance, with regards to human rights in the Group's supply chain, a potential risk is the occurrence of international standards and/or legislation violations related to the practices of its suppliers, who are likely not to adopt policies and values similar to the Group. Moreover, the risk of corruption incidents in the supply chain is also identified. The occurrence of such incidents may have significant negative effects on the Group, at a financial (e.g. through the imposition of fines), operational (e.g. termination of partnerships with suppliers, termination of long-term strategic partnerships, termination of projects) and non- financial level (e.g. influence on the Group's reputation).

The above mentioned practices may cause broader negative impacts, to the environment, for example through the non-adoption of good environmental practices by business partners, as well as to society, with the possible violation of human and labor rights (such as uninsured workers, child labor, etc.). In addition, regarding the wider economic impacts on the local community, the Group recognizes potential risks stemming from the non-support of local and domestic suppliers, such as loss of social cohesion, loss of social / local support and consequently reduced economic growth and prosperity in these areas.

Due diligence and other policies

The Group's business activities in the whole range of its supply chain, are carried out provided that the above potential environmental, social and economic effects have been evaluated for the maximization of positive impacts. To address the new challenges that the supply chain is facing, the Group incorporates new criteria into the supply chain's management processes, such as new terms of cooperation with suppliers and preference given to domestic suppliers.

First and foremost, the proper supply chain management starts with the Group's responsible attitude towards all its stakeholders. To this end, the Group adopts and implements the necessary policies and actions:

- All the relevant insurance and labor laws.
- The regulatory framework relating to Occupational Health and Safety.
- The principles of human rights protection.
- Its internal policies, procedures, standards and management systems.

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Terms of cooperation with suppliers

The responsible supply chain management is one of the Group's major efforts to long-term value creation through its business operations but also through forming responsible, long-term business relations with its suppliers and partners. The Group recognizes that the responsible management of the supply chain presupposes responsible collaborations with mutual contribution and open dialogue among all parties involved.

In this regard, the Group communicates the minimum requirements for cooperation and ensures that its cooperating suppliers comply with environmental and social criteria. Necessary requirements for cooperation with any supplier are the full compliance with the regulatory framework relating to Occupational Health and Safety as well as compliance with the Group's Code of Conduct.

The Code of Conduct constitutes the basic framework of principles and values that must characterize, among others, the Group's suppliers, subcontractors and associates in order to maintain transparent and responsible business relations.

Prioritizing domestic suppliers

To date, the Group has expanded its activities to 16 countries and 4 continents, with a constantly growing business and a strong potential of expanding into new markets. Despite its strong extroversion, the Group firmly chooses to cooperate with local suppliers. In this way, the Group enhances its direct and indirect socio-economic footprint across the supply chain, by supporting the surrounding areas and stimulating local economies. Besides its direct activity, choosing local suppliers creates positive effects in creating new indirect jobs while contributing to the enhancement of social cohesion and prosperity.

Results of the above policies and non-financial performance indicators

In 2019, the value of procurements from Greek suppliers (approximately 4,250 suppliers) for all Group activities amounted to approximately Euro 514 million.

Categorization of suppliers by range*

2019	Procurement cost	Percentage of the total	Number of suppliers	Percentage of the total
National suppliers	715,324	74.2%	5,811	89.5%
International suppliers	233,598	24.2%	643	9.9%
Affiliated Companies	15,336	1.6%	37	0.6%
Total	964,258	100%	6,491	100%
2018	Procurement cost	Percentage of the total	Number of suppliers	Percentage of the total
National suppliers	697,837	61%	5,675	90%
International suppliers	432,510	38%	603	10%
Affiliated Companies	11,118	1%	25	0%
Total	1,141,465	100%	6,303	100%

* Amounts are expressed in thousands Euros

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*(Amounts in thousands Euro, unless otherwise stated)***Categorization of suppliers, of companies established in Greece, by range***

2019	Procurement cost	Percentage of the total	Number of suppliers	Percentage of the total
National suppliers	432,987	68.9%	4,054	89.4%
International suppliers	181,702	28.9%	450	9.9%
Affiliated Companies	13,729	2.2%	32	0.7%
Total	628,418	100%	4,536	100%
2018	Procurement cost	Percentage of the total	Number of suppliers	Percentage of the total
National suppliers	498,424	55%	4,187	89%
International suppliers	391,135	43%	493	10%
Affiliated Companies	11,118	1%	25	1%
Total	900,677	100%	4,705	100%

** Amounts are expressed in thousands Euros*

Respect for Human Rights

Major risks and risk management

Respect for Human Rights is a prerequisite for paving the way to sustainable development not only for the Group but also for the communities in which it operates.

The Group identifies the risk of human rights violations beyond its supply chain and within its own limits, such as discrimination in the workplace, privacy violations of employees and forced or child labor. The possible violation of human rights may have negative effects on the Group itself, such as the imposition of fines or penalties, as well as negative effects on its employees and the reputation and / or trust of its stakeholders.

The Group, as a responsible corporate citizen, acknowledges that human rights abuses are directly linked to negative effects that may impact on society, the environment and the economy within which it operates. Implementing the human rights principles, the Group contributes more widely to the reinforcement of the rule of law and to the improvement of legal systems, which form the basis for the conclusion of all business agreements. In this regard, the risks posed by non-compliance with the applicable human rights framework are minimized, such as a potential crisis in social solidarity and prosperity.

Due Diligence and other policies

The Group has developed its framework of principles and values based on fundamental human rights. Respecting all its employees and partners, it ensures the prevention of incidents of violation of their rights, through the adoption of policies, actions and control mechanisms, which apply to all its activities, for all its subsidiaries and all projects.

To this end, the Group:

- Implements the international standards and principles of Human Rights.
- Engages with local communities on human rights issues.
- Implements monitoring mechanisms through the Human Resources Department.

Respect for international standards and principles

The Group applies and respects the international Human Rights principles and standards. The Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Global Compact, the UN Guiding Principles on Business and Human Rights as well as the high corporate values that the Group stands for, form a strict operational framework with respect for human rights across all its business activities.

The Group is committed to the timely prevention and detection of any action that does not comply with its operating framework for the protection of Human Rights. It protects the right of every person to education and freedom of speech, to the freedom of association and any other human rights that may be infringed as a result of or as part of his business activities and therefore applies control procedures that ensure there is no violation of fundamental human rights.

Engaging with Local Societies

The Group respects the national and local operating frameworks in the countries in which it operates. Consultation with local communities on human rights issues related to the Group's activity is necessary to ensure its social operation. In addition, the consultation ensures smooth cooperation with the stakeholders of these communities in conducting business and provides an opportunity for dialogue on issues of concern.

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Monitoring mechanisms

The Human Resources Department of the Group ensures legality regarding the age limits of the employees it employs, in overtime work, in the minimum wages, in the protection of diversity in its wider scope of action and observes the provisions so that no violation is noted.

In particular, the Recruitment Policy with the relevant procedures ensures diversity and establishes the basis for the recruitment process to be based on objective criteria such as professional profile, skills and capabilities of employees. The decisions made by the Group regarding recruitment are not related to any kind of discrimination regarding gender, nationality, language, religion, political beliefs, disabilities, employee sexual orientation or other elements of diversity.

Results of the above policies and non-financial performance indicators

GRI 406-1: Incidents of discrimination and corrective actions taken

Throughout the years of GEK TERNA Group's operation, no cases of violation and / or infringement of human rights and no incidents of discrimination based on race, religion, sex, age, disability, nationality, political beliefs, etc., have been reported, including incidents of harassment, within its operations.

Social and Labor Issues

Major risks and risk management

The Group's employees constitute the cornerstone of its business continuity and ceaseless growth. To this end, the GEK TERNA Group manages potential risks and makes the most of existing opportunities in an ever-changing social and work environment. The Group identifies the risks associated with the possibility of not providing equal opportunities, fair wages and appropriate occupational health and safety conditions.

Furthermore, the Group seeks to minimize the likelihood of accidents at work, by conducting special Occupational Risk Assessment (ORA) studies, which identify potential health and safety risks for each working position. Potential occurrence of a work accident may bring negative effects both on a functional (e.g. work stoppage) and a financial level (e.g. imposition of fines, compensation and other penalties) while it can also have negative effects on the human capital of the Group.

In addition, recognizing the potential social and environmental risks posed on the local communities amid its ongoing activities in these areas, the Group conducts, before the commencement of its operations, impact studies to assess the potential environmental and social impacts (e.g. residents' health and safety impacts, impacts on the quality of life) of its planned activities.

The Group contributes to tackling the potential economic and social impacts associated with reducing employment in the country (e.g. unemployment), by increasing the number of job offerings. Furthermore, the Group recognizes the negative, indirect economic impacts it may cause. For instance, to address the potential risks associated with reducing the purchasing power of its employees - e.g. non-contribution to the stimulation of the local economy, reduction of the contribution to the GDP, the Group ensures the provision of compensation and benefits that exceed the limits provided by law.

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Due Diligence and other policies

Through the adoption of responsible policies aimed at creating shared value for all its stakeholders, the GEK TERNA Group stands shoulder to shoulder with the local communities where it operates through its business activity as well as through continuous consultation and efforts to identify and address the real needs of the community.

The GEK TERNA Group actively participates, supports and regards the investment in its people as a highest priority, providing the necessary resources for the promotion of the continuous improvement of the working environment.

The Group, for the management of social and labor issues:

- Increases its socio-economic footprint.
- Implements Payroll and Benefits Policy.
- Enhances diversity.
- Provides equal opportunities for training and education.
- Implements the Health and Safety Policy.

Direct and indirect social impacts

The Group ensures the continuous improvement of its direct and indirect socio-economic impacts. The multiplier benefits from its business activity translate into thousands of new jobs, boosting the national economy while increasing the GDP, through tax payments and insurance contributions, to the strengthening of local communities through collaborations with local suppliers and service providers as well as to the optimization of Greece's investment prospects abroad and to institutional investors.

The indirect positive impacts of the Group's activities on the local community in the fields of infrastructure, waste management, clean energy production and real estate development and management, are associated with transportation safety, upgrading of the urban infrastructures, access to places of art and culture, the overall improvement of citizens quality of life and the preservation and protection of the natural environment.

Fair compensation and benefits

The Group ensures that the human resources issues are managed in an impartial manner and that every employee is treated fairly and without any kind of discrimination.

The Nominations and Remunerations Committee is responsible for the Group's internal compensation and benefits policy. Within this framework, the Group operates with transparency and meritocracy regarding the allocation of fees and benefits, by applying objective criteria and evaluation indicators depending on the importance of the position, the duties and responsibilities of each position, the educational background, experience, skills, ability to achieve goals and level of performance and efficiency of employees.

The Group, having examined the cost of living in the countries where it operates, offers higher compensation than the minimum set by the respective legal framework. Most of the employees of the Group are remunerated with salaries that exceed the minimum legal wage provided. In addition, the Group offers additional benefits, such as corporate vehicle, laptop, corporate mobile connection, etc., depending on the needs and requirements of the job.

More specifically, the Group's policy imposes equal pay between men and women for the same position and leaves no room for discrimination or privileged treatment regarding pay or benefits or other employee characteristics.

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Promoting workplace diversity

Men mainly compose its workforce amid the Group's activities' nature. However, the constant increase in the percentage of women in its companies, constitutes a well-established policy. One step towards this direction is to record and monitor the distribution of women by geographical area of activity, by age and by employment level. In this way, the percentage of women is sought to increase.

Continuous training and education of human resources

Training and Education Policy

The human capital of the Group constitutes its main force, as is responsible for the planning and implementation of its business activities. For this reason, it is vital to continuously improve the scientific and technical knowledge that employees possess as a means of ensuring their professionalism and improving their productivity.

In this context, the Group has established a Training and Education Policy to ensure full participation of its employees in educational activities, based on the principle of equal opportunity, to promote a clear and understandable framework for education planning, implementation and evaluation processes and over the long-term to achieve the development of skills & the enhancement of productivity of its Human Resources through the cooperation of the Human Resources Department with all the Directorates, Departments, Construction sites and the Group's facilities.

Health and Safety Policy

The GEK TERNA Group strategy includes the non-negotiable principle of ensuring occupational health and safety. This principle is a prerequisite for any business activity and equally applies to all employees, subcontractors and network of partners.

Maintaining Health and Safety is a priority for the Group that is constantly improving the strategic framework within which issues related to the protection of Health and Safety of all its stakeholders is managed.

The Group complies with the provisions of applicable national, European and international law and through a strict Health and Safety Management System it adheres to, aims at the early detection and minimization of risks related to all its activities. The Health and Safety Policy applies to the entire Group and all those who are, directly or indirectly, related to its business operations.

Strengthening the Health and Safety Policy and ensuring zero accidents is a function of goals related to:

- the implementation of an internationally certified Health and Safety Management System,
- the formation of a corporate culture governed by the principles of Health and Safety,
- the full compliance with legal and other national, European and international requirements, directives and provisions relating to the field of Health and Safety,
- the implementation, monitoring, evaluation and improvement of Health and Safety activities,
- the identification of occupational risks and development of a comprehensive prevention methodology,
- the prevention of injuries, diseases and adverse health and safety incidents,
- providing proper, adequate health and safety information and training to all employees, suppliers, partners and visitors,

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- the compliance and unwavering adherence to H&S procedures by all stakeholders,
- the immediate investigation of any accident / incident, the factors' assessment and taking precautionary measures,
- the integration of technologies, good practices and operating procedures that guarantee safety conditions for employees, subcontractors and third parties.

The Group's commitment to Health and Safety is demonstrated by the implementation of the certified Health and Safety Management System, in accordance with the requirements of the international standard ISO 45001.

Results of the above policies and non-financial performance indicators

Social contribution

In 2019 the Group maintained its partnerships and multiplied the significant value it creates through a wide network of collaborations and synergies. True to its vision of strengthening the Greek economy, the Group continues to stimulate local communities, focusing mainly on the following areas of social support:

1. Infrastructure

The GEK TERNA Group and its subsidiaries significantly support the regions of Greece and implement a series of actions that have a direct, visible and substantial impact.

In 2019, the Group undertook the implementation of infrastructure projects and the completion of interventions to improve the day-to-day lives of residents in areas where it operates as well as areas affected by extreme weather events and the areas where the Group operates, exceeding Euro 970,000.

2. Employment

The Group considers supporting the employment of young people and creating professional prospects as being very important. In this context, the Group financially supports distinguished postgraduate students on a regular basis, and each year the Group also offers internship opportunities to young people within the company. In 2019 ten (10) students completed their internship at the Group, two (2) of whom joined its workforce.

3. In-kind Assistance, Financial Aid and Donations

The Group's sponsorships and donations primarily focus on programs for education, training, health, culture and sports. Improving the quality of life and creating new opportunities are the main motivations of the Group for supporting solidarity actions.

In 2019, the companies of the GEK TERNA Group carried out a significant program of social support and distribution of economic value, which through sponsorships, donations and infrastructure projects exceeded Euro 2 million.

The Group's social contribution for 2019 included among others:

- Free construction of infrastructure projects and interventions to improve the daily life of the local citizens in our hosted areas,
- Targeted actions in schools as well as sponsorship programs for sports and cultural organizations, in areas where we operate in Greece and abroad,
- Programs to support youth entrepreneurship and grant scholarships to young people, support of scientific research programs, conferences etc.,
- Financial support to Non-Governmental/Non-Profit organizations and government agencies that focus their efforts:
 - on improving the quality of life of vulnerable social groups, such as the association against child abuse ELIZA, the Ark of the World and the Shedia street paper etc.

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- on scientific research such as the Hellenic Health Foundation.
- Targeted donations to the Greek Police and the Hellenic Fire Service
- Support of cultural activities across Greece (Prespeia, Student Biennale of the Greek Schools of Fine Arts, Concerts, etc.).

GRI 102-8: Information on employees and other workers

GREECE

Number of employees by employment contract	2019			2018		
	Men	Women	Total	Men	Women	Total
Permanent contract	1,971	870	2,841	1,996	724	2,720
Fixed term or temporary contract	24	8	32	42	33	75
Freelancers	407	98	505	436	98	534
TOTAL	2,402	974	3,378	2,474	855	3,329

Number of employees by employment type	2019			2018		
	Men	Women	Total	Men	Women	Total
Full time	1,995	874	2,869	2,019	713	2,732
Part time	0	4	4	19	44	63
TOTAL	1,995	878	2,873	2,038	757	2,795

FOREIGN COUNTRIES

Number of employees by employment contract	2019			2018		
	Men	Women	Total	Men	Women	Total
Permanent contract	749	140	889	1,639	129	1,768
Fixed term or temporary contract	86	25	111	12	2	14
TOTAL	835	165	1,000	1,651	131	1,782

Number of employees by employment type	2019			2018		
	Men	Women	Total	Men	Women	Total
Full time	831	159	990	1,649	128	1,777
Part time	4	6	10	2	3	5
TOTAL	835	165	1,000	1,651	131	1,782

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GRI 401-1: New employee hires and employee turnover (GREECE)*

New employee hires and employee turnover	2019								
	<30 years old			30-50 years old			>50 years old		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of new employee hires of this category during the reporting period	105	29	134	383	81	464	174	11	185
Ratio of new employee hires (%)	49%	34%	45%	31%	14%	25%	35%	10%	31%
Total number of voluntary employee exits during the reporting period	26	13	39	62	36	98	16	2	18
Voluntary Turnover Rate (%)	12%	15%	13%	5%	6%	5%	3%	2%	3%
Total amount of forced employee exits within a year during the reporting period	56	12	68	162	36	198	125	8	133
Involuntary Turnover Rate (%)	26%	14%	23%	13%	6%	11%	25%	7%	22%
New employee hires and employee turnover	2018								
	<30 years old			30-50 years old			>50 years old		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of new employee hires of this category during the reporting period	81	31	112	264	71	335	82	14	96
Ratio of new employee hires (%)	36%	45%	38%	20%	15%	19%	15%	14%	15%
Total number of voluntary employee exits during the reporting period	14	3	17	73	15	88	32	2	34
Voluntary Turnover Rate (%)	13%	8%	12%	12%	6%	10%	14%	4%	12%
Total amount of forced employee exits within a year during the reporting period	45	6	51	222	23	245	118	9	127
Involuntary Turnover Rate (%)	41%	16%	35%	36%	10%	28%	51%	17%	45%

*The rates of hires and turnover have been calculated in terms of the average number of employees in each category. For example, the new hires rate for men in the age group <30 has been calculated in terms of the average number of working men in the same age group for the period under review.

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GRI 401-1: New employee hires and employee turnover (ABROAD)*

New employee hires and employee turnover	2019								
	<30 years old			30-50 years old			>50 years old		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of new employee hires of this category during the reporting period	16	8	24	84	13	97	34	6	40
Ratio of new employee hires (%)	9%	38%	12%	11%	14%	11%	32%	67%	34%
Total number of voluntary employee exits during the reporting period	73	4	77	306	7	313	22	2	24
Indicator of Voluntary Turnover Rate (%)	42%	19%	40%	39%	8%	36%	20%	22%	21%
Total amount of forced employee exits within a year during the reporting period	93	7	100	228	7	235	10	0	10
Indicator of Involuntary Turnover Rate (%)	54%	33%	52%	29%	8%	27%	9%	0%	9%
New employee hires and employee turnover	2018								
	<30 years old			30-50 years old			>50 years old		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of new employee hires of this category during the reporting period	117	1	118	294	10	304	19	1	20
Ratio of new employee hires (%)	39%	9%	38%	36%	18%	35%	25%	17%	25%
Total number of voluntary employee exits during the reporting period	37	2	39	81	2	83	6	0	6
Indicator of Voluntary Turnover Rate (%)	30%	17%	29%	16%	4%	15%	11%	0%	11%
Total amount of forced employee exits within a year during the reporting period	76	6	82	228	15	243	17	2	19
Indicator of Involuntary Turnover Rate (%)	61%	52%	60%	45%	33%	44%	32%	57%	33%

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GRI 403-2: Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and number of work-related fatalities**

GREECE

Injury Rate (IR) & Lost Day Rate (LDR) (GREECE)	2019		2018	
	a) Employees	b) Subcontractors	a) Employees	b) Subcontractors
	Total	Total	Total	Total
Injury Rate (IR)***	1.14	0.5	1.09	0.85
Lost Day Rate (LDR)****	16.25	N/A	30.91*	N/A

Injury Rate (IR) & Lost Day Rate (LDR) (GREECE)	2019		2018	
	a) Employees	b) Subcontractors	a) Employees	b) Subcontractors
	Total	Total	Total	Total
Injury Rate (IR)	0.07	3.26	0	0
Lost Day Rate (LDR)	7.21		0	

*TERNA ENERGY is not included as the data is not available for 2018.

**Absentee Rate (AR) and Occupational Diseases Rate (ODR) are not recorded and hence not available.

***The Injury Rate (IR) (or Accident Frequency Rate) has been calculated by using the factor 200,000 [(Total number of recordable injuries/ Total number of hours worked by all employees in calendar year) x 200,000]. The factor 200,000 denotes the number of hours worked by 100 full-time employees.

**** The Lost Day Rate (LDR) (or Accident Severity Rate) has been calculated by using the factor 200,000 [(Total number of work days lost due to work-related accidents/ Total number of hours worked by all employees in calendar year) x 200,000].

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GRI 404-1: Average hours of training per year per employee

By Employee Level		2019			2018		
		Male	Female	Total	Male	Female	Total
Employees in the top 10% of higher compensation	Average training hours	0.9	7.5	2.5	8.2	38.7	13.0
Employees in the bottom 90% of lower compensation	Average training hours	18.9	2.9	14.6	3.1	3.2	3.1
Total	Average training hours	17.6	3.2	13.8	3.2	3.7	3.3
By Function		2019			2018		
		Male	Female	Total	Male	Female	Total
Administrative staff	Average training hours	2.8	1.9	2.4	2.0	2.3	2.0
Technicians	Average training hours	8.5	14.7	9.2	1.0	1.5	1.0
Other Category (e.g. craftsmen)	Average training hours	27.2	3.4	25.5	2.2	0.9	2.1

Employee training on the application of emergency response plans

	2019	2018
Number of employees	2,535	680
Total training hours	2,948	680

Environmental Management

Major risks and risk management

The Group systematically identifies and prioritizes environmental risks associated with its companies' activities and which may cause adverse effects both to the stakeholders (e.g. local communities) and to its wider natural environment (e.g. impacts) in land, water, air and ecosystems).

As part of its environmental management, the Group prioritizes the protection of biodiversity, as it is essential for the plants and animal species' survival, genetic diversity and natural ecosystems. Potential impacts in case of neglecting the protection of biodiversity could be water and air pollution, threats to human health and food security. Through the protection of livestock, the Group contributes to the strengthening of local incomes (e.g. protection of crops for local producers) and consequently to the avoidance of bankruptcy risk.

In addition, the Group identifies the risks related to Climate Change, which to some extent determines the Group's business strategy, through the strategic development of renewable energy projects and the adoption of mitigation measures of its environmental footprint. Such risks may considerably affect the Group's business model (e.g. need for immediate independence from conventional energy sources, increased operating costs to adopt new environment friendly technologies, regulatory sanctions due to increased requirements).

Due Diligence and other policies

Environmental protection is an integral part of the Group's strategy and is expressed through its political, strategic and business decisions and actions. The Group acts purposefully and takes measures to reduce its negative environmental footprint through the responsible energy management and the proper use of natural resources (e.g. water, energy, materials, tackling climate change and protecting and conserving biodiversity).

In particular, the Group's environmental strategy includes:

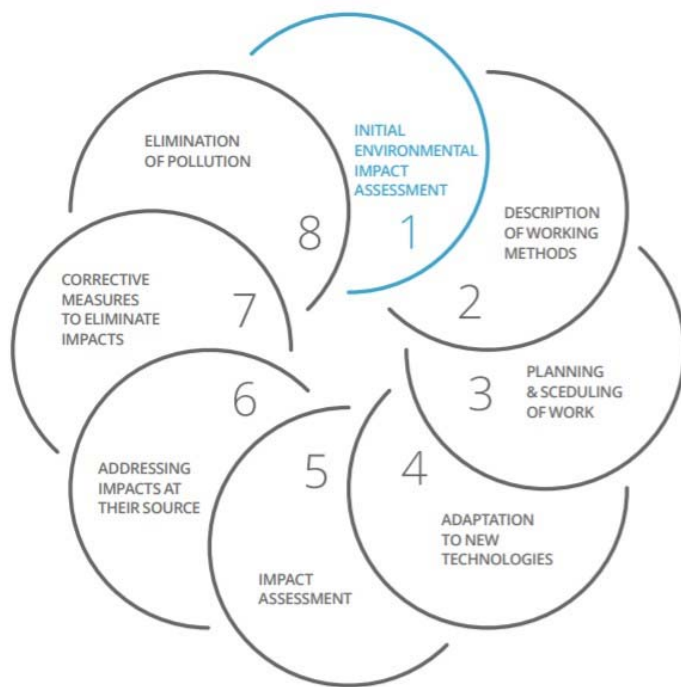
- the implementation of the Environmental Management System,
- responsible energy management processes,
- tackling Climate Change,
- the protection and preservation of Biodiversity.

Environmental Management System

By implementing a modern and comprehensive Environmental Management System, the Group records the environmental impact of its activities and is therefore able to take the necessary measures in a timely manner, in order to reduce its environmental footprint and continuously improve its environmental performance. The strategy of mitigating the environmental impacts is based on the following cycle:

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The GEK TERNA Group conducts annual audits to all of its operations, in order to fulfill the requirements arising from external certifications, internal systems and legal and other regulatory frameworks. Internal audits aim at the:

- evaluation of the responsiveness to the requirements of the current legislation,
- evaluation of the responsiveness to the Group's customer requirements,
- evaluation of the Group companies' compliance with the system requirements,
- evaluation of the responsiveness to the requirements of the international standard ISO 14001:2015,
- identification of points that need improvement and reinforcement,
- improvement of the implementation of the Management Systems and the Risk Management Systems.

Responsible energy management

The Group's activities and especially those in the field of clean energy through the development, construction, financing and operation of RES projects, improve energy security and efficiency, thereby reducing the adverse effects in the environment (e.g from burning fossil fuels). Regarding its business operation, the Group believes that only through the systematic recording and monitoring of energy consumption in offices and construction sites will it be able to assess its energy needs and proceed with the mitigation of energy consumption of its activities.

One of the Group's targets for 2020, is to continue integrating even more units and companies into the data collection process, as well as to further expand and deepen the methodology it applies to the collection of such data.

Infrastructure and low energy footprint equipment

The existence of infrastructure and low energy footprint equipment constitutes a high priority for the Group. To this end, the Group is implementing projects with bioclimatic design and is certified by systems that verify its environmentally friendly design practices aimed at energy saving. Additionally, the Group invests in renewing and maintaining its machinery as a means of improving energy efficiency.

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Employee training on environmental issues

Cultivating a wider environmental culture is a prerequisite for better energy management and improved overall energy footprint. The projects' Environmental Officers or the HSE Directorate of the Group's Central Offices, plan and implement on an annual basis trainings, both on environmental and social issues, in order to properly inform and systematically train its employees. The trainings take into account both needs and requirements of ongoing projects, as well as the roles and duties of employees.

Tackling climate change

The Group focuses on the transition to an economy that is less dependent on fossil fuels and ensures sustainable cities and societies for all its stakeholders. The GEK TERNA Group possesses the know-how and willpower to take advantage of the current challenges of climate change for the benefit of sustainable development and green economy.

Although climate change affects almost all areas of the Group's operations, the business opportunities arisen can both contribute to the Group's economic growth and mitigate its negative effects.

Through its own activities, the Group responds to the challenges of climate change, by designing and implementing a number of projects and planned investments, such as the:

- Development of hydro-pumped storage projects that will offer security of energy supply.
- Creation of waste treatment plants for the proper management of waste but also biogas production.
- Development of infrastructure projects that minimize their energy footprint.

Monitoring and mitigation of greenhouse gas emissions

The Group's business model is strategically oriented towards tackling climate change. The Group's activity in the production of clean energy through TERNA ENERGY, contributes significantly to the prevention of carbon dioxide emissions into the atmosphere. Furthermore, through proper waste management, the Group contributes to the prevention of methane emissions into the atmosphere, which are equally harmful and contribute significantly to the greenhouse effect.

The Group systematically monitors its greenhouse gas emissions as an integral part of its environmental policy and therefore communicates the impact of its activities through its electronic and print media (Sustainable Development Report, website, press releases etc.), to all its stakeholders.

Biodiversity protection and conservation

The majority of the Group's activities (e.g. infrastructure development, highway construction) take place within areas of high biological value and therefore it is necessary to initiate policies related to the protection and conservation of biodiversity.

To this end, the Group implements certified systems, conducts trainings for its employees and visitors to construction sites regarding the protection of biodiversity, undertakes initiatives to promote and protect local ecosystems and constantly strives to operate beyond the environmental legislation provisions, using mechanisms to monitor and record its effects on the wider natural environment.

Among others, the Group, both during the construction and operation phases of its projects, prepares in collaboration with specialized scientists and bodies, special environmental evaluation studies, special ornithological studies and monitoring programs with the aim of acquiring and utilizing the necessary information to ensure the protection of local ecosystems, by taking appropriate protection and restoration impact measures.

In particular, the Group:

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- Takes restoration measures of areas and construction sites through its environmental and restoration studies aiming at the responsible and integrated management of its projects' life cycle.
- Adopts the principles of circular economy, reusing materials (e.g. construction and demolition materials) in order to meet other needs within the Group.
- For responsible waste management purposes, plans and undertakes all necessary measures while cooperating with licensed bodies for the recovery, processing, reuse and / or disposal of its waste.

Results of the above policies and non-financial performance indicators

The Group applies the ISO 14001 certified Environmental Management System to most of its subsidiaries: TERNA, TERNA S.A. ABU DHABI, TERNA ENERGY, TERNA MAG, NEA ODOS, CENTRAL GREECE MOTORWAY, HERON, GEK SERVICES, ILIOCHORA.

Through its business activity, and as the largest Greek RES producer operating 1,362 MW of installed capacity, in 2019, the Group generated 2,714,864 MWh, preventing the release of 1,989,263 tons of carbon dioxide (CO₂) in the atmosphere.

GRI 302-1: Energy consumption within the organization

Source	Consumption	Unit
	2019	
Total electricity consumption within the organization	214,794,235	MJ
Total fuel consumption within the organization from non-renewable sources [diesel fuel (cars & machinery), LPG and gasoline included]	214,141,818	MJ

Source	Consumption	Unit
	2018	
Total electricity consumption within the organization	210,987,090	MJ
Total fuel consumption within the organization from non-renewable sources [diesel fuel (cars & machinery), LPG and gasoline included]	228,463,000	MJ

Energy Consumption HERON

Source	Consumption	Unit
	2019	
HERON I	21,328,247.707	MJ
HERON II	10,809,438,957.892	MJ

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GRI 305-1: Direct (Scope 1) GHG emissions

Direct (Scope 1) GHG emissions (t CO2)		
	2019	2018
TOTAL	664,867	610,967

GRI 306-2: Waste by type and method of disposal

Total Weight of Hazardous Waste			
2019			
Method of Disposal	Weight	Unit	Percentage
Reusing	0.12	tn	0.12%
Recycling	73.34	tn	76.07%
Composting	-	-	-
Recovery, including energy recovery	0.12	tn	0.12%
Incineration (mass burn)	-	-	-
Deep well injection	-	-	-
Landfill	22.83	tn	23.68%
Storage on the organization premises	-	-	-
TOTAL	96.41	tn	100%
Total Weight of Non-Hazardous Waste			
2019			
Method of Disposal	Weight	Unit	Percentage
Reusing	1,411.81	tn	3%
Recycling	11,157.15	tn	22%
Composting	35,842.11	tn	70%
Recovery, including energy recovery	338.74	tn	1%
Incineration (mass burn)	4.05	tn	0%
Deep well injection	0.00	tn	0%
Landfill	2491.27	tn	5%
Storage on the organization premises	-	-	-
Management through licensed entities	-	-	-
TOTAL	51,245.13	tn	100%

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Total Weight of Hazardous Waste			
2018			
Method of Disposal	Weight	Unit	Percentage
Reusing	26.60	tn	8%
Recycling	125.60	tn	39%
Composting	15.80	tn	5%
Recovery, including energy recovery	-	-	-
Incineration (mass burn)	-	-	-
Deep well injection	-	-	-
Landfill	-	-	-
Storage on the organization premises**	151.10	tn	47%
TOTAL	319.10	tn	100%
Total Weight of Non-Hazardous Waste			
2018			
Method of Disposal	Weight	Unit	Percentage
Reusing	-	-	-
Recycling	1,031	tn	2%
Composting	-	-	-
Recovery, including energy recovery	-	-	-
Incineration (mass burn)	-	-	-
Deep well injection	-	-	-
Landfill	96	tn	0%
Storage on the organization premises**	15,839	tn	28%
Management through licensed entities	6,157	tn	11%
For landfill restoration*	33,939	tn	59%
TOTAL	57,062.00	tn	100%

* The reported amount relates to the restoration of the Templon and Lefkimis landfills in Corfu.

**Storage on the organization premises of hazardous and non-hazardous waste is due to the temporary storage of waste, till the moment that a sufficient volume of waste has been collected, in order to become manageable by the licensed operators.

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H. Outlook and Prospects

GEK TERNA – the parent company of the Group (www.gekterna.com) is listed on Athens Stock Exchange (FTSE/Athex Large Cap) and is one of the largest business groups in Greece, also holding operations in Central and Southeastern Europe, the USA and Middle East.

The Group has a leading position in the fields of infrastructure, energy production, supply and trade from thermal sources and RES, concessions, waste management and real estate development & management.

The Group occupies over 4,400 employees worldwide, while its total investments in recent years have exceeded Euro 2.2 billion, actively supporting the Greek economy and the country's banking system, constantly maintaining all the Group's resources in the Greek banks.

The current construction backlog of the Group settles at the high level of Euro 1.661 billion, while the total capacity of the energy plants that the Group owns or participates in, exceeds 1970 MW.

Greek economy was on growing course at the beginning of 2020, according to the confirmed estimations of competent bodies, by which it was predicted that this growing course should be accelerated.

The continuation of development not only of the Greek economy but also the Global one, was put again to new assessment due to COVID-19 pandemic, the effect of which cannot be estimated at the present moment, while duration and severity is not known yet at its entirety.

It should be noted that the stengenth of investment activity in segments that the Group operates (energy, concessions, infrastructure) are of high priority of Greek State and EU, as a result for financial restoration and reverse the financial effects of COVIS-19 pandemic. Greek State recently voted a new framework for the evolution of investments in energy, while in the infrastructure sector a string willingness for fastening the tendering procedures for concession and PPPs projects. Infrastructure projects through their multiplier effect contribute significantly in GDP's growth and employment boost. To this end GEK TERNA Group is already participating in tendering procedures for several concession projects such as Egnatia Odos, North motorway of Crete, Integrated Casino Resort in Helliniko etc.

In 2020, GEK TERNA will continue to implement its strategy for continuing growth in the Greek and international markets in the RES, Concessions and Construction segments. The objective is to maintain its leading position in the Greek market and to pursue its sustainable development in the overseas markets in order to achieve a satisfactory diversification of business risk and to maintain a satisfactory return on its capital.

Prospects for achieving the targets set for 2020 are positive as:

In the Energy Segment:

Not only in the international but also in the Greek economic scene, political leaders have recently reaffirmed their interest in the development of Renewable Energy Sources and the faster possible replacement of traditional, thermal (lignite, coal, etc.) sources by wind, photovoltaic etc. in order to effectively address the increasing burden of the natural environment.

In this context, the Group, through its subsidiary TERNA ENERGY SA, is justified in its strategic decision to invest vigorously in the field of renewable energy sources since, as at 31.12.2019, it has in operation 606 MW in Greece, 648.1 MW in the USA, 102 MW in Poland and 30 MW in Bulgaria, contributing to combating environmental pollution, while generating satisfactory profits to its shareholders.

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Particularly in Greece, significant developments are expected following a series of Governmental decisions, such as replacing lignite as fuel for the purposes of the country's electrification, privatization of DEPA Commerce (the Group participating in the tender in progress) and DEPA Infrastructure, as well as privatization of D.E.D.D.I.E. and further sale of 49% of ADMIE (The Independent Power Transmission Operator), will bring about significant developments, when rapid adaptation will become a critical factor for restructuring the market and redistribution of the role and share of the main competitors within it.

Through its subsidiary TERNA ENERGY, making the best possible use of its dominant position and know-how in RES and appreciating the favorable environment in this domain, the Group continues the implementation of its investment program in Greece, proceeding with new investments in the production of net energy of approximately total budget of 550 million euros.

The construction of new wind farms in Evia is expected to begin in the next period, as the acquisition of the portfolio of licensed and under licensing wind farms of 270 MW capacity of the company "RF Omalies MAE" has been completed by "RF ENERGY SA".

In addition to the aforementioned new investments in wind farms, through its subsidiary TERNA ENERGY, the Group has already launched additional investments totaling over 1 billion euro, which relate to new wind farms in various areas of Greece, environmental and waste management projects and clean energy projects, such as the Amari Hybrid Station in Crete and the pumping project in Amfilochia. Those are two extremely significant investments of approximately Euro 800 million, required to balance transmission networks and transition to a carbon-free economy. Already launched investments in conjunction with the new wind farms in Evia raise the Group's total investment program through TERNA ENERGY to Euro 1.5 billion approx.

The Group, in the context of consistency and high sense of corporate social responsibility that distinguishes it, will remain a pioneer in the field of investment and will strive to maintain the Group's pace of development in line with its business plan, generating satisfactory profits for its shareholders, despite the adverse conditions, arising in the beginning of 2010, exacerbated by the COVID-19 pandemic.

In the Thermal Energy Segment:

GEK TERNA GROUP is also involved in thermal energy production through its participation in THERMOELECTRIC STATION OF VIOTIA SA (HERON II S.A.) having partnered with two international leading energy players, ENGIE (former GDF Suez) and Qatar Petroleum, joining forces also in the company THERMOELECTRIC S.A.

HERON S.A. (www.heron.gr), in which ENGIE (former GDF Suez) participates, owns two thermal power plants with an installed capacity of 147 MW and 435 MW (HERON I and HERON II respectively), in Viotia, operating in the fields of production, supply and trade of electricity.

The expected effect of the government's decisions to replace lignite as fuel for the country's electrification confirms the Group's strategic decision to heavily invest in construction and operation of a new natural gas unit of a combined nominal net capacity of 600MW in Komotini, which requires an investment of approximately Euro 300 million, estimating that satisfactory profits will emerge for the benefit of the Group's shareholders.

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In the Constructions Segment:

The Group, mainly through its 100% subsidiary TERNA SA, has been active in the construction industry for almost half a century, both in the Middle East and Southeast Europe, implementing a wide range of large and complex public and private projects, of high budgets and complex know-how, such as construction of motorways and rail networks, buildings, hospitals, museums, industrial facilities, hydroelectric projects, dams, industrial facilities, power plants, etc.

The prospects for the coming years are in favor of improving the economic sizes of the segment, since, in spite of the existing backlog, which on 31.12.2019 amounts to Euro 1,661 billion, according to the statements of the competent Minister, the Greek Government intends to change the institutional framework regarding the tender procedures, in order to speed up licensing so that the major infrastructure projects, which exceed Euro 13 billion, could be incorporated in the investment strategy legislation.

At the same time, the existence of synergies that will arise from the implementation of new investments within the Group, will assist in improving the financial sizes of the segment. It is to be noted that the implementation of the above projects will have significant positive multiplier effects on the Greek economy.

The Group, in the context of consistency and high sense of corporate social responsibility that distinguishes it, will remain a pioneer in the domain of constructions, generating satisfactory profits for its shareholders in line with its strategic planning, despite the adverse conditions, arising in the beginning of 2010, exacerbated by the COVID-19 pandemic.

In the Concessions Segment:

The Group displays an impressive dynamic through its involvement in the financing, management and commercial exploitation of concession projects. The Group controls the companies NEA ODOS and CENTRAL MOTORWAY by 100%, and its participation in OLYMPIA ODOS stands at a percentage of 17% of its share capital, while it also participates in construction and operation of car parks.

Moreover, through its sub-group TERNA ENERGY, the Group participates in projects through PPPs, such as the Epirus Waste Management Unit, completed in 2018. Currently, the Unit is in commercial operation and has exploitation capacity for 25 years, project construction and management for 25 years as well. Other projects of the same nature include Peloponnese Region Waste Management Units as well as the implementation of the automatic fare collection system for the urban transport in Athens.

The Group reaffirms its strategic decision to invest heavily in PPPs, while generating satisfactory profits for its shareholders.

At the same time, the Management continues to explore new investments in order to expand the Group's operations in Greece and abroad, constantly monitoring developments in the Greek economy, cooperating with financial agents and special analysts of international markets.

Exploitation of Motorway Concessions is expected to yield significantly improved results in the future, according to the current estimates, since given the nature of the concession agreements, they are not substantially affected by the temporary adverse conditions generated in the beginning of 2020 by the COVID-19 pandemic.

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Regarding identifying and planning new investments in the form of Concession agreements and PPP, GEK TERNA SA, as a member of INSPIRE ATHENS, was notified about the decision of the independent administrative authority "Hellenic Gaming Commission (HGC)", in line with the Minutes of the Committee for the concession of a wide-range activities Casino Operating License (EKAZ) in the Hellinikon - Agios Kosmas Metropolitan Pole. The decision pertains to the results of the evaluation phase of the Bidders' Entry Documents. Under the aforementioned decisions, (as announced in the official Press Release of the HGC issued on 20.01.2020), the Bid submitted by SHRE / SHRI, LLC, has been rejected and the Bid, submitted by INSPIRE ATHENS, comprising "MGE Hellinikon BV", "Mohegan Gaming Advisors, LLC" and "GEK TERNA SA" has been accepted.

Real Estate Segment:

GEK TERNA is also engaged in real estate development and management with a broad portfolio in Greece, Bulgaria, and Romania, including business centers, industrial parks, entertainment parks, residential properties, hotels, etc.

Mining Segment:

The Group is also involved in mining activities through TERNA LEYKOLITHI S.A., a mining and commercial company with export focus on the market (www.ternamag.com).

At the same time, the Management continues to expand the Group's operations abroad, as it constantly monitors developments in the Greek economy, discusses, and collaborates with financial agents and international market analysts and, in direct, continuous and systematic collaboration with the Group's senior executives, designs and implements measures to address any identified risk.

As a result of the aforementioned strategy, the Group and the Company, at the reporting date of the Annual Financial Report, maintain satisfactory capital adequacy, profitability and liquidity, continue to be fully consistent with their obligations to suppliers, public sector, insurance companies and other creditors and successfully implement their investment plan.

I. Treasury Shares

On 31.12.2018, GEK TERNA directly and indirectly held 5,133,692 treasury shares, i.e. a percentage of 4.9638% of the Share Capital.

On 03.01.2019, the company informed the investors about exceeding the limit of 5% of the treasury shares that the Company held directly and indirectly through its subsidiaries.

The total number of treasury shares directly or indirectly held after the transaction as at 02.01.2019: 5,178,692, i.e. a percentage of 5,0073%. It is to be noted that the subsidiary TERNA SA holds 688,205 treasury shares, i.e. 0.6654% of the share capital and the subsidiary ILIOCHORA SA holds 616,835, or 0.5964% of the share capital.

On 31.12.2019, the Company held directly or indirectly through its subsidiaries a total of 6,111,576 treasury shares, i.e. a percentage of 5.9093% of the share capital.

Stock Options:

The Extraordinary General Assembly of GEK TERNA SA held on 09.12.2019 approved the Company's Remuneration Policy, in accordance with articles 110 and 111 of Law 4548/2018. In the context of the preparation of the Remuneration Policy, a new plan was established (abolishing the plan previously approved by the General Meeting as at 27.06.2018) to providing the purchase option up to the limit of 4,000,000 shares of the Company for the five year period of 2019-2023, addressing 20 executives.

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The plan will be implemented, given that the objectives set by the Board of Directors are met, through the issuance of new shares or disposal of treasury shares, in accordance with article 113 par. 2 of Law 4548/18. The share disposal price to the beneficiaries is proposed to be 2.00 euros per share. The Board of Directors is authorized to determine the beneficiaries, the way the option is exercised and the other terms of the plan, as well as to regulate all relevant procedural issues necessary for the implementation of the aforementioned decision.

J. Transactions with Related Parties

Below the Company's and Group's transactions and balances with its related parties are presented for the period 01.01-31.12.2019

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Sales-Inflows of the Company

(amounts in euros)	Participation type	Total	Revenues from Goods/Consulting services	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest and related profit	Share capital reductions	Received Loans
TERNA SA	Subsidiary	70,130,997.96	141,742.37	65,527.00	314,668.44	0	798,709.31	0	68,810,350.84
TERNA ENERGY SA	Subsidiary	13,203,601.95	7,767.64	60,118.31	172,249.20	0	0	12,963,466.80	0
CHIRON CONCESSIONS S.A	Subsidiary	39,600.00	0	39,600.00	0	0	0	0	0
IOANNINON S.A.	Subsidiary	90,112.50	0	60,000.00	0	0	30,112.50	0	0
MONASTIRIOU SA	Subsidiary	460,599.98	0	0	0	0	190,611.10	0	269,988.88
GEK SERVICES SA	Subsidiary	17,155.00	0	0	0	0	17,155.00	0	0
ILIOHORA SA	Subsidiary	338,880.00	0	0	38,880.00	0	0	0	300,000.00
ROM GEK CONSTRUCTION SRL	Subsidiary	372,094.32	0	0	0	0	7,823.26	0	364,271.06
ICON BOROVBETS EOOD	Subsidiary	2,787,673.03	0	0	0	0	43,243.50	0	2,744,429.53
VIPATHE	Subsidiary	1,389,734.44	0	0	0	0	147,136.11	0	1,242,598.33
ICON EOOD (BULGARIA)	Subsidiary	4,624,025.31	0	0	0	0	0	0	4,624,025.31
TERNA MAG SA	Subsidiary	6,830.44	0	0	0	0	6,830.44	0	0
NEA ODOS SA	Subsidiary	52,688,509.71	299,409.00	0	0	0	6,560,460.71	0	45,828,640.00
CENTRAL GREECE MOTORWAY SA	Subsidiary	17,540,200.86	799,883.26	0	0	0	1,220,966.70	0	15,519,350.90
CONSTRUCTION JOINT VENTURES	Subsidiary	24.12	0	0	24.12	0	0	0	0
J/V CINTRA-GEK-IRIDIUM HELLAS TOLLS	Subsidiary	50,701.64	0	49,501.64	1,200.00	0	0	0	0
HST SA	Subsidiary	420,000.00	0	0	0	420,000.00	0	0	0
KIFISIA PLATANOU SQ. CAR PARK SA	Subsidiary	25,792.35	0	25,792.35	0	0	0	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	24,000.00	0	24,000.00	0	0	0	0	0
PARKING OUIL SA	Joint Venture	18,303.04	0	0	0	18,303.04	0	0	0
GLS OOD	Joint Venture	50,686.00	0	0	0	0	0	50,686.00	0
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	361,806.57	0	0	1,200.00	0	612.50	200,178.48	159,815.59
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	37,000.00	37,000.00	0	0	0	0	0	0
HERON THERMOELECTRIC S.A.	Joint Venture	37,000.00	37,000.00	0	0	0	0	0	0
		164,715,329.22	1,322,802.27	324,539.30	528,221.76	438,303.04	9,023,661.13	13,214,331.28	139,863,470.44

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*(Amounts in thousands Euro, unless otherwise stated)*Company's Receivables

(amounts in euros)	Participation type	Total	From revenue	From Loans and Interest	From Dividends and related earnings	From share capital reductions
TERNA SA	Subsidiary	12,802,509.12	1,103,799.81	11,698,709.31	0	0
TERNA ENERGY SA	Subsidiary	14,870.85	14,870.85	0	0	0
CHIRON CONCESSIONS S.A	Subsidiary	11,904.00	11,904.00	0	0	0
IOANNINON S.A.	Subsidiary	587,132.50	12,400.00	574,732.50	0	0
MONASTIRIOU SA	Subsidiary	4,096,088.88	0	4,096,088.88	0	0
GEK SERVICES SA	Subsidiary	392,947.00	0	392,947.00	0	0
ILIOHORA S.A.	Subsidiary	83,916.00	83,916.00	0	0	0
VIPATHE	Subsidiary	2,662,457.78	0	2,662,457.78	0	0
TERNA MAG SA	Subsidiary	116,998.00	0	116,998.00	0	0
NEA ODOS SA	Subsidiary	136,571,234.49	25.00	136,571,209.49	0	0
CENTRAL GREECE MOTORWAY SA	Subsidiary	44,615,476.89	0	44,615,476.89	0	0
J/V CINTRA-GEK-IRIDIUM HELLAS TOLLS	Subsidiary	1,882,138.90	68,790.86	0	1,813,348.04	0
J/V EUROIONIA	Subsidiary	2,480.00	2,480.00	0	0	0
CONSTRUCTION JOINT VENTURES	Subsidiary	29.91	29.91	0	0	0
KIFISIA PLATANOU SQ. CAR PARK SA	Subsidiary	31,982.51	31,982.51	0	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	4,960.00	4,960.00	0	0	0
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	1,243.20	1,243.20	0	0	0
HERON THERMOELECTRIC S.A.	Joint Venture	5,400.00	5,400.00	0	0	0
		203,883,770.03	1,341,802.14	200,728,619.85	1,813,348.04	0

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Purchases - Company's Outflows

(amounts in euros)

Participation type	Total	Purchases of goods	Revenues from Consulting services	Purchases of administrative services	Lease expenses	Interest expenses	Share capital increases	Granted Loans
TERNA SA	127,082,746.20	0	9,388.17	21,155.70	7,500.00	4,199,935.91	11,700,000.00	111,144,766.42
TERNA ENERGY SA	65,661.40	0	0	34,414.15	31,247.25	0	0	0
ILIOHORA S.A.	591,651.68	0	0	0	0	11,243.00	0	580,408.68
IOANNINON S.A.	570,000.00	0	0	0	0	0	570,000.00	0
NEA ODOS SA	45.72	45.72	0	0	0	0	0	0
KIFISIA PLATANOU SQ. CAR PARK SA	350,000.00	0	0	0	0	0	350,000.00	0
TERNA MAG SA	5,255,674.00	0	0	0	0	0	5,255,674.00	0
HERON THERMOELECTRIC S.A.	920,666.18	139,666.18	781,000.00	0	0	0	0	0
KEKROPS SA	1,303.85	0	0	1,303.85	0	0	0	0
	134,837,749.03	139,711.90	790,388.17	56,873.70	38,747.25	4,211,178.91	17,875,674.00	111,725,175.10

Company's Liabilities

(amounts in euros)

Participation type	Total	From purchases	From Loan and interest	From dividends and Joint-Ventures results	From share capital increases
TERNA SA	85,101,513.48	471,371.35	84,630,142.13	0	0
TERNA ENERGY SA	39,031.79	39,031.79	0	0	0
ILIOHORA S.A.	259,311.12	0	259,311.12	0	0
MONASTIRIOU TECHNICAL DEVELOPMENT SA	52.01	52.01	0	0	0
NEA ODOS SA	723,616.39	0	723,616.39	0	0
HERON THERMOELECTRIC S.A.	381,238.75	381,238.75	0	0	0
KEKROPS SA	1,616.77	1,616.77	0	0	0
	86,506,380.31	893,310.67	85,613,069.64	0	0

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Sales - Inflows of the Group

(amounts in euros)	Participation type	Total	Sales of Goods	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest	Received Loans	Share capital reductions
HERON THERMOELECTRIC S.A.	Joint Venture	5,243,246.04	5,201,649.03	41,597.01	0	0	0	0	0
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	1,566,414.27	0	37,000.00	0	0	1,529,414.27	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	24,000.00	0	24,000.00	0	0	0	0	0
PARKING OUIL SA	Joint Venture	18,303.04	0	0	0	18,303.04	0	0	0
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	361,806.49	0	0	1,200.00	0	612.50	159,815.59	200,178.40
GLS OOD	Joint Venture	50,686.00	0	0	0	0	0	50,686.00	0
		7,264,455.84	5,201,649.03	102,597.01	1,200.00	18,303.04	1,530,026.77	210,501.59	200,178.40

Receivables of the Group

(amounts in euros)	Participation type	Total	From revenue	From Loan and interest	From dividends and Joint-Ventures results	Share capital reductions
HERON THERMOELECTRIC S.A.	Joint Venture	1,354,346.62	1,354,346.62	0	0	0
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Joint Venture	15,737,715.54	15,000.00	15,722,715.54	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	4,960.00	4,960.00	0	0	0
PARKING OUIL SA	Joint Venture	0	0	0	0	0
ELLINIKOU ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	1,243.20	1,243.20	0	0	0
		17,098,265.36	1,375,549.82	15,722,715.54	0	0

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Purchases - Outflows of the Group

(amounts in euros)	Participation type	Total	Purchases of goods	Revenues from Consulting services	Lease expenses	Share capital increases
HERON THERMOELECTRIC S.A.	Joint Venture	10,763,608.57	10,763,608.57	0	0	0
KEKROPS SA	Associate	1,303.85	1,303.85	0	0	0
		10,764,912.42	10,764,912.42	0	0	0

Liabilities of the Group

(amounts in euros)	Participation type	Total	From Purchases and Advances	From Loan and interest
HERON THERMOELECTRIC S.A.	Joint Venture	4,288,862.51	4,288,862.51	0
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Joint Venture	6,557.98	6,557.98	0
INTERNATIONAL AIRPORT HERAKLION CRETE CONCESSION SA	Joint Venture	137,319.14	137,319.14	0
ATTIKAT SA	Associate	5,658.47	5,658.47	0
KEKROPS SA	Associate	1,616.77	1,616.77	0
		4,440,014.87	4,440,014.87	0

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The remuneration of members of the Board of Directors and senior executives of the Group and the Company for 2019 as well as the relative balances on 31.12.2019, has as follows:

	GROUP		COMPANY	
	1.1- 31.12.2019	1.1- 31.12.2018	1.1- 31.12.2019	1.1- 31.12.2018
Remuneration for services rendered	3,654	3,290	141	112
Remuneration of employees	868	345	244	44
Remuneration for participation in Board meetings	1,609	1,042	860	455
Total	6,131	4,677	1,245	611
Liabilities	192	366	28	10
Receivables	31	58	8	0

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CORPORATE GOVERNANCE STATEMENT

1. Corporate Governance Code

The Company applies all the established rules and procedures from the legal, regulatory, and other relevant authorities without deviation on all its activities and operations. Moreover, it has adopted internal rules and business practices that contribute to the adherence to transparency principles, professional ethics, and prudent management of all the Company resources at all management levels, to the benefit of its shareholders and related parties.

These practices are briefly outlined in the Company's Corporate Governance Code (CGC), which is the basis and reference point of the Group's integrated governance system. By implementing the CGC and the individual thematic regulations, the Management ensures the efficient management and utilization of the company's resources and promotes corporate responsibility as a core value of the Group's growth course.

The individual thematic regulations and operating instructions of the company are:

- 1) Company's Internal Regulation (CIR). It includes all the measures, rules, and instructions adopted by the Management, in addition to the mandatory provisions and/or regulations imposed by the competent institutions and the relative Authorities.
- 2) Code of conduct
- 3) Audit Committee Charter
- 4) Internal Audit Activity Charter
- 5) General Data Protection Regulation
- 6) Corporate Responsibility Report
- 7) Anti-bribery management system.

Any new relevant provision, measure, rule, etc is incorporated into the CIR, in order to maintain the required completeness and to adapt directly to the changing conditions of the company's economic, social, and business environment.

The Corporate Governance Code (CGC), which was prepared by the Company, in line with the provisions of Law 3873/2010 and which is posted on the Company's website www.gekterna.com is presented the entirety of the aforementioned rules and practices.

2. Corporate governance rules and practices

The CGC states, with clarity and accuracy, the following corporate governance rules and practices in detail:

Board of Directors

Its role is defined clearly, in line with its responsibilities and duties to set and apply the company's strategy with the basic objective of protecting the interest of all its Shareholders. As the highest authority in the company's management, the Board of Directors decides on all the corporate affairs, apart from those that fall under the responsibility of the General Assembly of the Shareholders.

Specifically, the responsibilities of the Board of Directors include:

- long-term strategic and mid-term business planning of the company
- decisions of strategic importance, such as acquisitions, mergers, liquidations, high budget investments
- planning of general, as well as specific, basic policies regulating the company's operation
- approval, supervision and evaluation of the implementation of annual projects and budgets

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- ensuring reliability and completeness of the accounting – financial systems and data and the company's financial statements derived from them
- ensuring smooth and proper operation of the appropriate systems and mechanisms for the company's internal audit, adhering to the company's legal – operational framework, as well as assessing and managing the business risks it faces
- continuous effort for avoidance or prudent handling of a potential conflict of interest of the Board of Directors or its members or basic shareholders with the interests of the company, by adopting transparency and monitoring rules on its transactions
- selection of the Chief Executive Officer and the other members of the Board, who are also evaluated on their overall performance
- defining the remuneration of the BoD members and proposing their approval by the General Meeting of the Shareholders, as well as deciding on the remuneration of the company's senior executives
- deciding on the company's organizational structure, management systems and procedures, as well as the amendment to such, when deemed necessary by the company's internal and external operation conditions
- establishment and effort to ensure the proper operation of the committees specified by the Corporate Governance Principles (Audit Committee and Committee for Election of Nominee Board Members and Remuneration)
- establishment of collective bodies, when deemed necessary for the improvement of the company's efficiency and operation
- definition and effort to lay out and apply basic company values and principles, including those of corporate governance, throughout its overall relationship with all the related parties.

The Company's Board of Directors, elected at the Regular General Meeting held on 28.06.2017, had a four-year tenure and was comprised of 12 members - 7 executive members, 5 non-executive members and 3 independent, non-executive members within the meaning of Article 4, Law 3016/2002.

On 26.06.2019, the Regular General Assembly of the Company, aiming to achieve completeness and balance of expertise, experience and administrative skills at the top level of the Company decided to expand the Board of Directors, following the recommendation of the Committee for Election of Nominee Board Members and Remuneration, decided to increase the minimum number from three (3) to seven (7) and the maximum - from twelve (12) to thirteen (13).

Furthermore, the Extraordinary General Meeting held on 09.12.2019, following the recommendation of the Committee for Election of Nominee Board Members and Remuneration, at the term of service equal to that of the other members of the Board of Directors, elected Mrs Penelope Lazaridou, father's name - Sophoclis, as a new executive member of the Board of Directors and Mr. Athanassios Skordas, father's name – Ioannis as new independent non-executive member of the Board of Directors, who fulfils the conditions of independence as provided by the provisions of article 4 of Law 3016/2002.

Therefore, the current Board of Directors, with a term of service until 30.06.2021, extended until the end of the term, within which the next Regular General Meeting of the Company must convene, consists of 13 members, 8 - executive members, 5 non-executive members, and 4 – independent non-executive members, within the meaning of the provisions of Law 3016/2002.

Therefore, at its meeting held on 18.12.2019, the Board of Directors composition was decided as follows:

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COMPOSITION OF THE BOARD OF DIRECTORS	
NAME/SURNAME	POSITION
Georgios Peristeris, father's name - Theodoros	Chairman and Chief Executive Officer, executive member
Konstantinos Vavaletskos, father's name - Theodoros	Vice Chairman, executive member
Michail Gourzis, father's name - Alexandros	Vice Chairman, executive member
Aggelos Benopoulos, father's name - Ioannis	Vice Chairman, executive member
Apostolos Tamvakakis, father's name – Stavros	Vice Chairman, independent non-executive member
Dimitrios Antonakos, father's name – Georgios	Executive member
Emmanuel Vrailas, father's name - Nikolaos	Executive member
Penelope Lazaridou, father's name - Sophocles	Executive member
Emmanuel Moustakas, father's name - Michail	Executive member
Georgios Perdikaris, father's name - Gerasimos	Non-executive member
Spyridon Kapralos, father's name - Ioannis	Independent non-executive member
Athanassios Skordas, father's name – Ioannis	Independent non-executive member
Gagik Apkarian, Athanassios Skordas, father's name – Serop	Independent non-executive member

During the exercise of their duties and the Board meetings held in 2019, the Board members exhibited “diligence of a prudent businessman”, dedicated the sufficient time needed for the efficient management of the Company, acted with integrity, accountability and proper judgment, avoiding actions that could endanger the Company’s competitiveness or conflict its interests. Also, they protected the confidentiality of information they had privileged access to and ensured the prompt and simultaneous provision of information to all shareholders and interest investors on issues that could affect their decision to realize any transaction on company shares.

The Board of Directors convened fourteen (14) times during 2019. The dates of the Board meetings were scheduled in advance in order to ensure the maximum possible quorum.

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NAME	NUMBER OF MEETINGS THAT TOOK PLACE DURING HIS/HER TENURE	NUMBER OF MEETINGS IN WHICH THE MEMBER PARTICIPATED	NUMBER OF MEETINGS IN WHICH THE MEMBER WAS REPRESENTED	NUMBER OF MEETINGS IN WHICH THE MEMBER WAS ABSENT AND NOT REPRESENTED
Konstantinos Vavaletskos	14	13	1	-
Michail Gourzis	14	13	1	-
Aggelos Benopoulos	14	14	-	-
Georgios Peristeris	14	14	-	-
Dimitrios Antonakos	14	14	-	-
Emmanuel Vrailas	14	14	-	-
Emmanuel Moustakas	14	14	-	-
Georgios Perdikaris	14	14	-	-
Apostolos Tamvakakis	14	14	-	-
Gagik Apkarian	14	13	1	-
Spyridon Kapralos	14	10	4	-
Penelope Lazaridou	1	1	-	-
Athanassios Skordas	1	1	-	-

During the meetings and the proceedings of the Board of Directors, the Members were supported by the Secretary, Mrs. Dimitra Chatziarseniou.

Chairman of the Board of Directors

The Chairman represents the basic instrument for applying Corporate Governance Principles in the Company, with responsibility, among others, for the efficient operation of the Board of Directors and the active participation of all its members in making and reviewing the application of business decisions, as well as for the smooth communication between the Company and its shareholders.

The Chairman's responsibilities include convening and addressing the Board's activities on the issues of the daily agenda prepared by the Chairman himself according to the Company's needs and the relevant requests by other Board members, making efforts for the efficient coordination and smooth communication between all Board members, as well as between the Company and shareholders – investors, which is based on the prompt, clear and reliable provision of information towards Board members on the total activities and operation of the Company, as well as ensuring the smooth incorporation of other members to the Board of Directors and their motivation in order to encourage their active and substantial participation in corporate affairs and the decision making process.

The Board of Directors is supported by Committees, which carry an advisory role, but which also carry a heavy weight in the decision making process of the Board. The Committees are as follows:

Nominee and Remuneration Committee

The Nominee and Remuneration Committee's main role is to explore and propose the proper nominees for election in the Company's Board of Directors, as well as to propose policies and systems that define remuneration for all Company levels.

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The Committee's responsibilities, in relation to proposing nominees, mainly include defining the company's requirements as regards to the size and composition of its Board of Directors, defining the role, responsibilities and skills of each position within the Board of Directors, the periodic review of the Board's size and composition and the submission of proposals for changes – improvements when deemed necessary.

In relation to its responsibilities on remuneration issues, the Nominee and Remuneration Committee convenes at least twice a year and whenever else deemed necessary. It processes and proposes the system that defines remuneration of employees, Board members and senior executives, it prepares and submits to the Board proposals for the corporate remuneration policy and assesses its application according to the relevant annual remuneration report, and it prepares the proposals that must be submitted by the Board to the General Meeting of shareholders for approval.

During the year 2019, the Committee convened seven (7) times.

The Code of Corporate Governance, which was approved by the Board of Directors of the Company on 18.03.2011 and has been in operation since then, provided in Article 2.3.1 a three-member committee.

The Board of Directors elected by the Regular General Assembly on 28.06.2017 set up a Committee of Nominations and Remunerations consisting of the following Members:

Angelos Benopoulos, Vice-Chairman, executive member

Georgios Perdikaris, non-executive member

Apostolos Tamvakakis, Vice-Chairman, independent non-executive member

At its meeting on 27.09.2017, the Board of Directors decided to amend article 2.3.1 of the Code of Corporate Governance and expand the composition of the Committee of Nominations and Remunerations so that it is now a committee of four members, consisting of one executive member and the other three non-executive, two of which are independent. Chairman of the Committee is an independent, non-executive member.

The full composition of the Nominations and Remunerations Committee is now as follows:

Apostolos Tamvakakis – independent non-executive member of the Board of Directors and Chairman of the Committee,

Angelos Benopoulos – executive member of the BoD,

Georgios Perdikaris - non-executive member of the Board of Directors, and

Gagik Apkarian - independent non-executive member of the Board of Directors

The Extraordinary General Assembly held on 9 December 2019 approved the proposed Remuneration Policy for Members of the Board of Directors in accordance with Directive (EU) 2017/828 of the European Parliament and of the Council as regards the rights of shareholders as incorporated into Greek legislation under Law 4548/2018 and, in particular, under article 110.

Following the above decision, the full text of the Policy was posted on the Company's website.

Investment Committee

The mid-long-term strategic planning for the Company's development includes, amongst others, the following investment policy in order to achieve and maintain its business objectives through time.

The Company's Board of Directors is the responsible body that sets and applies investment policy. In this context the Board bases its decisions on the appropriate proposals submitted by the Investment Committee ((IC) as regards to acquisitions, mergers, strategic alliances, high budget investments, liquidation of assets and any other action of strategic importance that may affect the capital structure and future development of the Company. The Investment Committee convenes at any time deemed necessary for the Board to make investment decisions.

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As is the case for other company committees, the I.C. has the character of providing proposals and not making decisions. Its basic responsibilities include the preparation of the investment policy and long-term investment plan of the Company, the evaluation and the approval of the implementation of the annual investment plan, as well as any new investment that is separately submitted, the examination of the Company's capital structure for the materialization of its investment proposal, the evaluation of the corporate risks which are linked with its materialization, the documentation of its aim and the confirmation that its materialization is included in the implementation measures of the approved corporate strategy of the Company.

The Investment Committee consists of five members in which participate three (3) members of the Company's BoD and two (2) senior executives or advisors of the Company, depending on the issue to be discussed. The Chairman and the Chief Executive Officer can become members of the I.C.

The Board of Directors which was elected by the General Meeting on 28.06.2017 formed an Investment Committee with the following members:

Konstantinos Vavaletskos	Executive member
Emmanuel Vrailas	Executive member
Emmanuel Moustakas	Executive member

And two (2) executives or directors of the Company depending on the issue under the Committee's consideration.

Ian compliance with the decision of the Board of Directors as of 18.12.2019, from now on Ms. Penelope Lazaridou, father's name - Sophocles, in her capacity as a Director and the General Financial Manager of the Company, is one of two Directors composing the five-member Investment Committee depending on the issue under the Committee's consideration.

The Committee during the year reviewed the implementation progress of the Company's planned investments.

Audit Committee

The Audit Committee supports the Board of Directors in fulfilling its responsibility to ensure compliance of the Company's bodies and actions with the provisions of the legal – institutional – regulatory framework and the Corporate Governance Principles that govern its operation, the completeness and reliability or accounting, IT and administrative systems of the Company and the derived by such published financial statements and other reports, as well as the smooth and effective operation of all the Company's control mechanisms in order promptly identify, apart from the above, business risks and handle such prudently and effectively.

The Audit Committee convenes at least four times a year and whenever else it deems necessary. It invites the ordinary auditor to its meeting at least twice a year to provide clarifications – explanations on its activity and its comments – conclusions on the financial statements and the general financial reporting of the Company.

The Audit Committee has the following, by subject, key responsibilities:

It oversees the production procedure of the Company's financial statements and other financial reports, examines their reliability and sees to the smooth operation of the internal control's activities providing its support, and also periodically reviews the adequacy and reliability of internal control mechanisms and mechanisms for the management of business risks with the following criteria: the prompt identification of business risk and the quick response to handle such. It investigates possible transactions of the Company with any related party in detail and submits relevant reports to the Board of Directors in order to evaluate the possibility of present conflicts of interest with complete transparency and to prevent potential damage or loss for the Company.

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Also, the Audit Committee receives the reports of the Internal Audit Division, assesses their contents and proposes the head of the Division to the Board of Directors, evaluates the effectiveness and efficiency of such, and based on the above proposes the continuity or termination of his/her responsibilities.

The Audit Committee monitors the work of the statutory and assesses whether it is in accordance with the relevant legal – regulatory framework, the international standards, and best practices. It also examines and evaluates the adequacy of knowledge, professional consistency, independence, and effectiveness of the statutory and on this basis, proposes to the Board of Directors the continuance or termination of the relationship with the statutory auditor.

Pursuant to the provisions of article 44 of Law 4449/2017, which the Board of Directors incorporated into the current Corporate Governance Code, the Audit Committee is composed of non-executive members of the Board of Directors and by members elected by the General Meeting of Shareholders and who are not members of the Board of Directors but fulfill with the provisions of Law 3016/2002 regarding independence.

On 26.06.2019, the Regular General Assembly of the Shareholders elected a new, three-member Audit Committee, consisting of independent non-executive member of the Board of Directors Mr. Apostolos Tamvakakis, father's name – Stavros, appointed the Chairman of the Committee, Spyridon Kapralos, father's name - Ioannis, independent, non-executive member of the Board of Directors and Mr. Aggelos Tagmatarchis, who is not a member of the Board of Directors and meets the conditions of independence as provided for in the provisions of Law 3016/2002.

The above composition of the Audit Committee is in accordance with the provisions of Article 44 of Law 4449/2017, i.e. all members of the Audit Committee meet the conditions of independence under Article 4 of Law 3016/2002, and all members have sufficient knowledge in the domain, within which the Company operates. Moreover, Messrs. Tamvakakis and Tagmatarchis have sufficient knowledge in the field of audit and accounting.

The Audit Committee convened eleven (11) times during 2019, it exercised all its responsibilities and tasks, it cooperated with the Company's Internal Audit Department and provided the appropriate guidance for the continuation of the audit by subject and priority. It discussed with the head of the Company's internal audit its findings and conclusions and confirmed the correctness of the preparation procedure for the financial statements.

Regulatory Compliance Committee

The Regulatory Compliance Committee includes the following members:

- Dimitrios Antonakos, father's name – Georgios, Chairman, executive member of BoD
- Dimitra Chatziarseniou, father's name – Nikolaos, Lawyer
- Athanassios Skordas, father's name – Ioannis, Independent, non-executive member of the BoD.

The Commission's main responsibilities include, among others:

- Recognizing the framework of regulatory compliance of the Company and adapting it in cooperation with the competent executives regarding procedures and policies.
- Timely identifying new regulatory compliance requirements through the appropriate methodology (e.g. base registration).

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- Ensuring through mechanisms, the dissemination of regulatory obligations, values, and principles of the Company Code to the competent executives and providing the appropriate advice to them as well as to the management.
- Monitoring the implementation of the relevant procedures and holding responsibility for updating them.

The Group has been certified in accordance under ISO 37001 “Anti-Bribery” which includes the following procedures and policies that have been established: Business Environment Analysis, Risk Management, Internal Audit, Failure Management - Corrective Actions, Documentation and Files Control, Staff Training, Changes Management, Management Review, Regulatory Framework Monitoring, Complaints Management, Due Diligence, System Monitoring and Control, Energy Planning, Energy Footprint and Review, Energy Monitoring, Measurements, Objectives: Policy for Combating Unhealthy Competition, Information Security Policy, Policy for Travel and Hospitality Expenses.

The members of the Regulatory Compliance Committee were appointed by as of 28.11.2018 and 18.12.2019 decisions of the Company’s Board of Directors.

Strategic Planning Committee

According to as of 27.04.2018 decision of the Board of Directors of the Company, a seven-member Strategic Planning Committee was established, including the following members:

- Georgios Peristeris, father’s name - Theodoros, Executive Member
- Apostolos Tamvakakis, father’s name – Stavros, Independent, Non-executive Member
- Gagik Apkarian father’s name - Serop, Independent, Non-executive Member
- Spyridon Kapralos, father’s name - Ioannis, Independent, Non-executive Member
- Dimitrios Antonakos, father’s name – Georgios, Executive Member
- Emmanuel Moustakas, father’s name - Michail, Executive Member
- And a Senior Financial Officer, on case basis or subject matter, as follows: Penelope Lazaridou, father’s name - Sophocles and, if deemed necessary, Christos Zaribas, father’s name - Theodosius, Panagiotis Kazantzis, father’s name - Nikolaos, Aristoteles Spiliotis, father’s name - Nikolaos.

Internal Control and Risk Management

Since 29.05.2014, Ms. Aggeliki Nika holds the position of the Internal Auditor.

The internal control system is defined by the total rules and procedures applied by the Company, which aim at the preventive and restrictive audit of operations and procedures at all levels of the company’s hierarchy and organization, in order to ensure: the legality and security of management and transactions, the accuracy and reliability of published financial statements and any other financial information and announcement, as well as the effectiveness of the Company’s operational systems and activities.

The Board employs the internal control system so as to protect the Company’s assets, estimate the evident risks from its operations and to provide accurate and complete information towards shareholders as regards to the actual condition and prospects of the Company, as well as the manner in which detected risks are handled.

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To implement the above, the Board defines the operational context of the internal control, approves the conduct and evaluation procedures of its results, and decides on its composition, adhering to the relevant legal and regulatory framework up to the Corporate Governance Code. It establishes a special internal audit division, which is independent, is not subject to any hierarchy in relation to any other organizational unit, and is supervised by the Company's Audit Committee.

With the contribution of the Audit Committee, it evaluates the adequacy and effectiveness of the special internal audit division and the extent to which its reports are utilized by the Board for the continuous improvement of the Company's operation at all levels and the effective management of business risks. Moreover, the Audit Committee maintains direct and regular contact with the external auditors, in order to be systematically informed on the adequacy and reliability regarding the operation of the internal control and risk management systems, as well as the accuracy and reliability of financial reporting.

The evaluation and management of risks during 2019 is described in the relevant paragraph of the Company's Annual Financial Report.

Relations – Communication with Shareholders - Investors

The Board of Directors places particular significance on protecting the rights of all Company Shareholders, by facilitating the information they receive on the development of corporate affairs and by encouraging their participation in the General Meetings, where they have the opportunity to communicate directly with Management, submit questions they may have and contribute to the final positioning of the Company's strategic directions.

The Company has a special Investor Relations and Shareholders' Service Department, which ensures the direct, responsible, and complete provision of information, as well as the facilitation of shareholders to exercise their rights.

In the same context, the Chairman of the Board and/or Chief Executive Officer may realize individual meetings with Company's Shareholders that own a significant share of its capital, with the objective to provide more detailed information on corporate governance issues. They also collect the views stated by shareholders, transfer such to the remaining Board members and ensure that the principles and procedures of corporate governance and any other information useful for shareholders and investors are promptly available and easily accessible through modern means.

Following as of 31.3.2020 decision of the Company's Board of Directors, Mr. Georgios Koufios was appointed the Head of the Shareholders Relations – Corporate Announcements Department.

General Assembly of Shareholders

The Company adheres to the total relevant terms, clauses and procedures stipulated by the effective legal – regulatory framework as regards to the General Meeting of its Shareholders, with particular dedication on reinforcing their ability to smoothly exercise their rights, based on the completeness, accuracy and clarity of the information such receive promptly by the relevant company bodies, through all means available to the Company.

Aiming at the largest possible presence of its shareholders (institutional and private) during the General Meeting, the Company promptly announces, through any appropriate means, the daily agenda issues, the date, and location where the General Meeting will convene. To facilitate their active participation in the General Meeting's activities, it provides complete information on the manner and deadline for exercising the right to list issues on the daily agenda, as well as to submit questions.

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Also, it informs shareholders about the number of shares and voting rights, the voting procedures and offers any other required supplementary document in order to conduct the General Meeting's activities most effectively.

Members of the Board of Directors, the Company auditors and any other senior company executive, who are considered essential for the provision of detailed information and clarifications on shareholders' inquiries, are present at the General Meetings.

Disclosure of information required by items (c), (d), (f), (h) and (i) of par. 1 article 10 of the directive 2004/25/EC

The required information is already included in another section of the Management Report that refers to the additional information of article 4 par. 7 of Law 3556/2007.

Compliance with the provisions of the Code

The Board of Directors has complied with the provisions of the Corporate Governance Code during the year 2019.

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EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4 OF L. 3556/2007

The present Explanatory Report of the Board of Directors is submitted towards the Ordinary General Shareholders' Assembly, according to paragraph 8 article 4 of L. 3556/2007 and has been prepared according to those stipulated by paragraph 7 of article 4 of the same law.

a) Structure of Share Capital

The Company's Share Capital amounts to fifty eight million, nine hundred fifty one thousand, two hundred seventy five Euros and eighty seven cents (58,951,275.87), is fully paid in, and is divided by one hundred and three million, four hundred twenty three thousand and two hundred and ninety one (103,423,291) common registered shares with a nominal value of fifty seven cents (0.57) each.

The Company's shares are listed and traded on the Securities Main Market of the Athens Exchange.

All the rights and obligations stipulated by Law and the Company's Articles of Association emanate from each share.

b) Limitations to the transfer of Company shares

The transfer of Company shares takes place according to Law and there is no limitation to their transfer according to the Articles of Association.

c) Significant direct or indirect participations according to the definition of the provisions of L. 3556/2007

It is displayed below the Shareholders' Table who held on 31/12/2019 percentage over 5%:

SHAREHOLDER NAME	No. of shares	%
Reggeborgh Invest B.V.	25.878.005	25,021%
Georgios Peristeris	14.675.724	14,190%
York Global Finance Offshore BDH (Luxembourg) Sarl	7.909.588	7,648%

d) Shares providing special control rights

According to the Company's Articles of Association, there are no shares that provide special control rights.

e) Limitations to voting rights

According to the Company's Articles of Association, there are no limitations of voting rights emanating from its shares.

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f) Agreements between Shareholders

To the Company's knowledge, there are no agreements between its Shareholders, which imply limitation to the transfer of its shares or to the exercise of voting rights emanating from its shares.

g) Rules for appointment and replacement of Board Members and amendments of the Articles of Association

The Company's Articles of Association have been conformed to the provisions of L. N.3604/2007 and their provisions do not differ from those stipulated by .L. 4548/2018 as in effect, both as regards to the appointment and replacement of Board Members and as regards to the amendment of its articles.

h) Authority of the Board of Directors for the issuance of new shares or the purchase of treasury shares

According to those stipulated by par. 2 article 5 of the Articles of Association, the General Meeting may by means of its decision, assign authority to the Board of Directors to increase by means of its decision, the share capital according to those stipulated by L. 4548/2018.

According to the provisions of article 113 .L.4548/2018, as in effect, the Board of Directors may increase the share capital by issuing new shares in the context of implementing the approved by the General Meeting Stock Option Plan, for acquisition of Company shares by the beneficiaries.

According to the provisions of article 49 of L. 4548/2018, as in effect, following approval of the General Meeting, the Company may with the responsibility of the Board of Directors, acquire through the Athens Exchange, its own shares with the condition that the nominal value of shares acquired, including shares acquired previously and maintained by the Company, does not exceed 10% of its paid up share capital.

The Ordinary General Meeting of June 27, 2018 decided to renew the share buyback program by the Company through the Athens Stock Exchange until the completion of 10% of the paid up share capital of the Company, for the purpose in accordance with the provisions of Law 2190/20 as effective, Regulation 2273/2003 and Decision 1/503/13.03.2009 of the Hellenic Capital Market Commission, until June 27, 2020, at a minimum purchase price of thirty cents (0.30 euros) and a maximum price of thirty (30) Euros per share and authorized the Board of Directors for the implementation of that decision.

i) Important agreements put into effect, amended or terminated in case of change in control following a tender offer

There are no agreements, which are put into effect, amended, or terminated in case of change in the Company's control following a tender offer.

j) Agreements of Members of the Board of Directors or the Company's Employees

There are no agreements of the Company with members of its Board of Directors or its employees, which include the payment of indemnity, specifically in case of resignation or termination without reasonable cause or termination of term or employment due to a tender offer.

Dear Shareholders,

2019 was a year during which the Group continued its stable trend of development. Moreover, the Group carefully continues implementing its investment plan, by simultaneously maintaining adequate liquidity.

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We would like to express our thanks to the Board or Directors, our Staff, Executives and Partners for their contribution to our work.

We also thank our Customers, Suppliers and cooperating Banks and of course you, our Shareholders, for your trust in us.

The Board of Directors unanimously approves the above Management Report to be submitted to the Annual Regular General Meeting of Shareholders.

Athens, 1st June 2020

On behalf of the Board of Directors,

George Peristeris
Chairman of the Board of Directors & Chief Executive Officer

III. Independent Auditor's Report

(This report has been translated from the Greek Original Version)

To the Shareholders of "GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS"

Report on the Audit of the separate and consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS (the Company) and its subsidiaries, which comprise the separate and consolidated statements of financial position as at December 31, 2019, the separate and consolidated statements of comprehensive income, statements of changes in equity and cash flow statements for the year then ended, including a summary of significant accounting policies and selected explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries (the Group) as of December 31, 2019, and of their financial performance and their cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated into the Greek Legislation. 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 were independent of the Company and its subsidiaries, during the whole period of our audit, in accordance with the International Ethics Standards Board for Accountants "Code of Ethics for Professional Accountants" as incorporated into the Greek Legislation and we have fulfilled our ethical responsibilities in accordance with current legislation requirements and the aforementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and the consolidated financial statements of the current year. 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.

Key audit matters

How our audit addressed the key audit matter

Revenue from construction contracts

The Group's turnover amounted to € 1,155.7 million for the year ended as at 31st December 2019 and is derived from different operating segments. Each operating segment includes different revenue streams whose recognition involves different level of complexity and judgements by Management.

Revenue from operating segment "Construction Contracts" amounted to € 679.8 million and it has been identified as an area of particular audit interest due to the significance of the item in the financial statements, as it involves complexity associated with particular accounting treatment in accordance with IFRS, judgments and Management's estimates, which involve a degree of uncertainty.

Revenue from construction contracts are recognized in accordance with IFRS 15 using the completion rate method, calculated on the basis of the contractual cost incurred up to the date of the Statement of Financial Position in relation to the total estimated cost of construction of every project. Group's disclosures regarding the accounting policies of revenue recognition and Management's judgements and estimates used for revenues, as well as the assessment of the impact of the application of IFRS 15 as well, are included in the notes 3.2(i), 4.20 and 6 of the financial statements.

The key audit procedures we carried out included, among others:

- Understanding of the internal controls which have been designed by Management, relating to the revenue recognition of each operating segment.
- Evaluation of the terms of contracts and budget data used for calculations of revenue recognition from construction contracts.
- Evaluation of assumptions used for revenue recognition from construction contracts and reassessment of the completion rate of the performance obligations 31st December 2019.
- Testing on a sample basis of the actual construction costs recognized during the current year, with the relevant documents.
- Assessment of adequacy of the disclosures included in the notes to financial statement regarding this matter.

Assessment of impairment of non-current assets

As at 31 December 2019, the Group recognized goodwill of € 3.0 million, intangible assets with definite useful life of € 755 million and property, plant and equipment of € 1,670.7 million. Also, as at 31 December 2019, the Company holds investments in subsidiaries of € 264.7 million and investments in associates and joint ventures amounting to € 4,8 million and € 5,1 million respectively.

In accordance with IFRS, intangible assets with definite useful life, property, plant and equipment and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there are relevant indications. The

The key audit procedures we carried out included, among others:

- Evaluation of procedures used by the Management to identify indications of impairment of non-current assets.
- Evaluation of the procedures used by the Management in order to prepare reliable business plans.
- For those CGUs that impairment indications existed, evaluation of: i) the appropriateness of the methods applied for the identification of recoverable amount and ii) the reasonableness of the key assumptions and estimates of future cash flows.

abovementioned assessment requires significant level of judgement.

The impairment test requires the identification of the recoverable amount of each Cash Generating Unit (CGU) as the higher of the fair value less costs to sell and value in use. Fair value calculation is based on acceptable valuation methods while the assessment of value in use is derived from the discounted cash flow method based on business plans which include key assumptions and Management estimates such as revenue growth, capital and operating costs and discount rates used.

The assessment requires judgement by Management regarding the future cash flows of each CGU (relating to variables as revenue growth rate, capital and operating expenditures and the requirements of the relevant legal framework affecting their operation) and the discount rates applied to future cash flows.

Given the significance of the aforementioned items and the use of the Management's assumptions and estimates, we consider the assessment of impairment of those non-current assets to be one of the key audit matters.

The Group's and Company's disclosures regarding the accounting policy and assumptions and estimates used in assessing any impairment of these assets are included in Notes 3.1(ii), 3.2(vi), 4.9, 7.3, 8, 10, 12, 13 and 14 to financial statements.

- Review of the mathematical precision of discounted cash flow models.
- For the abovementioned procedures where it was deemed appropriate, we used Grant Thornton's specialist contribution.
- Assessment of adequacy of the disclosures included in the notes to financial statements regarding this matter.

Provisions and contingent liabilities

As at 31 December 2019, the Group and the Company are involved (under their capacity as defendant and plaintiff) in various and complex court cases and arbitration procedures during their normal operations.

The recognition and measurement of provisions, as well as the measurement and disclosure of contingent assets and liabilities related to court cases and arbitration procedures includes significant judgements made by Management which take into consideration the estimates of its legal advisors. The estimates relate to the outcome

The key audit procedures we carried out included, among others:

- Evaluation of the Management's procedures regarding collecting, monitoring and evaluating the outcome of pending litigations.
- Review and evaluation of the legal consultants' letters and discussions with the Management and legal consultants where necessary.
- Evaluation of Management's conclusions regarding the impact of pending litigations on

and the possible financial impact of each case to the Group and the company. As a result we considered this area as one of the key audit matters.

The Group's and Company's disclosures regarding provisions and contingent liabilities are included in Notes 3.2(xii), 4.19, 28 and 51 to financial statements.

the financial statement of the Group and the Company.

- Assessment of adequacy of the disclosures recorded in financial statements regarding this matter.

Other Information

Management is responsible for the other information. The other information, included in the Annual Management Report of the Board of Directors, for which reference is also made in section "Report on Other Legal and Regulatory Requirements", and the Representations of the Members of the Board of Directors, but does not include the financial statements and the 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 we conclude, based on our audit, that there is a material misstatement therein, we are required to communicate that matter. We have nothing to report, regarding the aforementioned matter.

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

In preparing the 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 there is an intention to liquidate the Company or the Group or to cease operations, or there is no realistic alternative but to do so.

The Audit Committee (art. 44 Law 4449/2017) of the Company is responsible for overseeing the Company's and 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 into the Greek Legislation, will

always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users, taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 or 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 of 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 audit opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. 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. Management Report of the Board of Directors

Taking into consideration that Management is responsible for the preparation of the Management Report of the Board of Directors which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B), we note the following:

a. The Management Report of the Board of Directors includes a Corporate Governance Statement that provides the information required by Article 152 of Codified Law 4548/2018.

b. In our opinion, the Management Report of the Board of Directors has been prepared in accordance with the legal requirements of articles 150-151 and 153-154 and paragraph 1 (cases c and d) of Article 152 of the Codified Law 4548/2018 and the content of the report is consistent with the accompanying financial statements for the year ended December 31, 2019.

c. Based on the knowledge we obtained during our audit of the Company “GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS” and its environment, we have not identified any material misstatements in the Management Report of the Board of Directors.

2. Complementary Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the complementary report to the Company’s Audit Committee, in accordance with Article 11 of the European Union (EU) Regulation 537/2014.

3. Non-audit Services

We have not provided to the Company and its subsidiaries any prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014. The permitted non-audit services that we have provided to the Company and its subsidiaries during the year ended December 31, 2019, are disclosed in note 39 of the accompanying separate and consolidated financial statements.

4. Auditor's Appointment

We have been appointed as joint statutory auditors by the Annual General Meeting of the Company on 28/06/2017. Since then, we have been appointed as joint statutory auditors for a total period of three (3) years based on the decisions of the shareholder's Annual General Meetings.

Athens, 1st June 2020
The Chartered Accountant

Dimitra Pagoni
I.C.P.A. Reg. No 30821



Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

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IV. ANNUAL FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED OF 31 DECEMBER 2019

(1 January - 31 December 2019)

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

The accompanying Financial Statements were approved by the Board of Directors of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS on 1st June 2020 and have been published by being posted on the internet at the website www.gekterna.com as well as on the Athens Stock Exchange's website.

The Annual Financial Statements of the consolidated subsidiaries, as provided by the Hellenic Capital Market Commission decision 8/754/14.04.2006, are available on the Internet at <http://www.gekterna.com>

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CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION 31ST DECEMBER 2019

	Note	GROUP		COMPANY	
		31.12.2019	31.12.2018*	31.12.2019	31.12.2018*
ASSETS					
Non-current assets					
Intangible fixed assets	8	754,958	802,665	140	130
Right of use assets	9	34,664	0	458	0
Tangible fixed assets	10	1,670,747	1,332,693	8,777	9,085
Goodwill	7	3,025	3,183	0	0
Investment property	11	40,916	41,030	9,536	11,290
Participations in subsidiaries	5, 12	0	0	264,731	400,308
Participations in associates	5, 13	1,152	4,572	4,800	4,800
Participations in joint ventures	5, 14	49,394	51,443	5,104	5,159
Financial Assets - Concessions	15	44,408	36,930	0	0
Investment in equity interests	21	65,434	48,135	64,752	48,049
Other long-term assets	16	88,977	88,629	178,964	139,015
Receivables from derivatives	33	188,635	154,607	0	0
Deferred Tax Assets	36	71,228	80,196	0	0
Total non-current assets		3,013,538	2,644,083	537,262	617,836
Current assets					
Inventories	17	57,609	52,756	3,710	4,929
Trade receivables	18	297,595	294,435	2,636	2,150
Receivables from contracts with customers	19	98,538	209,263	177	311
Advances and other receivables	20	194,274	229,665	55,681	41,263
Income tax receivables		30,772	37,822	3,757	915
Financial assets at fair value through profit & loss	22	3,407	1,264	3,407	1,264
Short-term part of receivables from derivatives	33	18,865	17,318	0	0
Cash and cash equivalents	6, 23	594,671	523,242	77,939	48,323
Total current assets		1,295,731	1,365,765	147,307	99,155
TOTAL ASSETS		4,309,269	4,009,848	684,569	716,991
EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital	34	58,951	58,951	58,951	58,951
Share premium account		381,283	381,283	202,774	202,774
Reserves	35	468,110	375,193	114,982	104,587
Retained earnings		(412,423)	(329,173)	(84,721)	(69,557)
Total		495,921	486,254	291,986	296,755
Non-controlling interests		270,954	242,744	0	0
Total equity		766,875	728,998	291,986	296,755

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Non-current liabilities					
Long-term loans	24	1,788,773	1,567,788	339,241	372,848
Liabilities from leases	25	13,614	6,547	383	0
Equity investments equivalent to financial liabilities	26	324,407	138,103	0	0
Other long-term liabilities	31	75,335	93,609	13,934	12,991
Other provisions	28	35,316	43,886	0	0
Provisions for staff leaving indemnities	27	7,402	8,572	164	137
Grants	29	154,699	162,000	0	0
Liabilities from derivatives	33	202,559	177,531	0	0
Deferred tax liabilities	36	41,777	45,956	4,838	5,494
Total non-current liabilities		2,643,882	2,243,992	358,560	391,470
Current liabilities					
Suppliers	30	264,344	285,927	1,870	1,376
Short term loans	32	130,598	125,421	0	0
Long term liabilities payable during the next financial year	24	105,123	150,910	12,118	15,701
Short-term part liabilities from leases	25	10,175	0	83	0
Liabilities from contracts with customers	19	203,658	301,053	564	84
Short-term part of equity interests having a substance of financial liability	26	51,365	22,287	0	0
Accrued and other short term liabilities	31	99,599	121,991	19,388	10,112
Short-term part of liabilities from derivatives	33	29,578	21,311	0	0
Income tax payable		4,072	7,958	0	1,493
Total Liabilities		898,512	1,036,858	34,023	28,766
Total Liabilities		3,542,394	3,280,850	392,583	420,236
TOTAL EQUITY AND LIABILITIES		4,309,269	4,009,848	684,569	716,991

* The Group and the Company did not adjust the comparative amounts of 2018 when applying IFRS 16 (see Note 2.6.3).

The accompanying notes form an integral part of the Annual Separate and Consolidated Financial Statements.

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CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
01.01-31.12.2019

	Note	GROUP		COMPANY	
		1.1- 31.12.2019	1.1- 31.12.2018*	1.1- 31.12.2019	1.1- 31.12.2018*
Profit and Loss					
Continuing operations					
Turnover	6, 37	1,155,739	1,402,700	5,721	7,433
Cost of sales	38	(919,263)	(1,165,281)	(4,866)	(4,581)
Gross profit		236,476	237,419	855	2,852
Administrative and distribution expenses	38	(75,658)	(65,287)	(6,478)	(7,730)
Research and development expenses	38	(3,931)	(1,591)	(641)	0
Other income/(expenses)	40	(3,162)	(5,240)	(1,357)	(3,158)
Results before taxes, financing and investing activities		153,725	165,301	(7,621)	(8,036)
Net financial income/(expenses)	44	(72,267)	(108,314)	(7,346)	(6,159)
Profit / (loss) from sale of participations and securities	41	(520)	5,074	172	(380)
Profit / (loss) from valuation of participations and securities	42	3,386	(3,227)	(4,547)	(9,394)
Income / (losses) from participations and other securities	43	1,408	1,002	1,824	25,380
Profit / (loss) from the consolidation of associates under the equity method	13	(214)	(72)	0	0
Profit / (loss) from the consolidation of joint ventures under the equity method	14	(7,700)	1,051	0	0
Earnings before taxes	6	77,817	60,815	(17,518)	1,411
Income tax	6, 36	(22,086)	(24,974)	5,307	(2,270)
Net Earnings/(losses) after taxes	6	55,731	35,841	(12,211)	(859)
Other Comprehensive Income/(Expenses)					
<i>a) Amounts reclassified in the Income Statement of subsequent periods</i>					
Proportion in Other comprehensive income of joint ventures	14	16	(27)	0	0
Valuation of cash flow hedging contracts	33	(25,592)	3,263	0	0
Translation differences from incorporation of foreign entities		214	(1,072)	0	0
Tax corresponding to the above results	36	2,751	(8,544)	0	0
		(22,611)	(6,380)	0	0

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b) Other Comprehensive Income/(expenses) which are not transferred to Income Statement in subsequent periods

Valuation of investments in equity interests	21	16,703	607	16,703	607
Actuarial gains/(losses) on defined benefit pension plan	27	(333)	(453)	(22)	(39)
Proportion in Other comprehensive income of associates	13	(533)	(298)	0	0
Proportion in Other comprehensive income of joint ventures	14	(5)	(4)	0	0
Tax corresponding to the above results	36	(2,799)	705	(3,072)	180
Net Other Comprehensive Income		(9,578)	(5,823)	13,609	748
TOTAL COMPREHENSIVE INCOME		46,153	30,018	1,398	(111)

Net earnings/(losses) attributed to:

Shareholders of the parent from continuing operations	34	23,457	4,466
Non-controlling interests from continuing operations		32,274	31,375

Total comprehensive income/(losses) attributed to:

Shareholders of the parent from continuing operations		15,487	231
Non-controlling interests from continuing operations		30,666	29,787

Basic Earnings/(losses) per share (in Euro)	34	0.23937	0.04552
Diluted Earnings/(losses) per share (in Euro)	34	0.23937	0.04552

The accompanying notes form an integral part of the Annual Separate and Consolidated Financial Statements.

** The Group and the Company did not adjust the comparative amounts of 2018 when applying IFRS 16 (see Note 2.6.3).*

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CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE PERIOD 01.01-31.12.2019

	Note	GROUP		COMPANY	
		1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Cash flows from operating activities					
Profit before tax	6	77,817	60,815	(17,518)	1,411
<i>Adjustments for the agreement of the net flows from the operating activities</i>					
Depreciation	6,8,9,10	122,822	111,721	554	429
Fixed assets grants amortization	6.29	(8,194)	(8,106)	0	0
Provisions		1,073	16,541	20	24
Impairments		16,194	5,764	9,197	8,050
Other non-cash expenses/revenue		(10,468)	(2,194)	80	0
Interest and related revenue	44	(9,584)	(9,988)	(10,080)	(9,229)
Interest and other financial expenses	44	127,861	126,609	17,426	15,388
Results from derivatives	44	(46,011)	(8,307)	0	0
Results from associates and joint ventures	13, 14	7,914	(979)	0	0
Results from participations and securities		(3,147)	(2,314)	(5,383)	(22,182)
Results from investment property		(1,672)	5,927	(122)	1,520
Results from fixed assets		325	(318)	1	0
Foreign exchange differences		(1,382)	(1,811)	0	0
Cost of stock options exercise		0	3,328	0	3,328
Operating profit before changes in working capital		273,548	296,688	(5,825)	(1,262)
(Increase)/Decrease in:					
Inventories		(2,248)	(3,919)	443	(896)
Investment property as main activity		1,985	(1,204)	1,851	0
Trade receivables		90,335	(33,543)	(413)	4,240
Prepayments and other short term receivables		31,848	101,391	11,718	(18,514)
Increase/(Decrease) in:					
Suppliers		(43,619)	(63,543)	494	(5,968)
Accruals and other short term liabilities		(96,778)	(243,156)	1,231	(6,198)
Collection / (rebate) of grants		(37)	49,685	0	0
Income tax payments		(16,894)	(5,957)	(3,043)	(1,633)
Net cash flows from operating activities		238,140	96,442	6,456	(30,231)

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Cash flows from investing activities					
(Purchases) / Disposals of fixed assets		(186,952)	(212,281)	(345)	(62)
Interest and related income received		2,890	3,599	9,268	241
(Purchases) / sales of participations and securities		(55,622)	(84,926)	1,348	(84,960)
(Payments)/Receipts for acquisition / loss of control in subsidiaries		0	36,137	0	0
Receipts of Dividends		1,426	998	16,178	12,808
Returns/(Receipts) of Loans		0	0	64,969	9,265
Net cash flows from investing activities		(238,258)	(256,473)	91,418	(62,708)
Cash flows from financing activities					
Receipts/(payments) from increase/(decrease) of share		(20,766)	23,954	(8,171)	(2,332)
Acquisition of treasury shares		(6,167)	(1,686)	(6,167)	(1,686)
Net change of short-term loans	32	986	23,458	0	0
Net change of long-term loans	24	132,489	130,921	(35,956)	148,539
Payments for leases	25	(10,473)	(4,853)	(64)	0
Dividends paid		(696)	(4,059)	0	0
Interest and other financial expenses paid		(89,017)	(100,403)	(17,900)	(14,257)
Receipts / (Payments) from derivatives used for risk		(19,936)	(22,296)	0	0
Receipts/(payments) from equity investments equivalent to financial liabilities		84,861	(6,157)	0	0
Net cash flows from financing activities		71,281	38,879	(68,258)	130,264
Effect of foreign exchange differences in cash		266	2,167	0	0
Net increase /(decrease) of cash and cash equivalents from continuing operations		71,429	(118,985)	29,616	37,324
Cash and cash equivalents at the beginning of the year from continuing operations	6, 23	523,242	642,227	48,323	10,998
Cash and cash equivalents at the end of the year from continuing operations	6, 23	594,671	523,242	77,939	48,322

The accompanying notes form an integral part of the Annual Separate and Consolidated Financial Statements.

* The Group and the Company did not adjust the comparative amounts of 2018 when applying IFRS 16 (see Note 2.6.3).

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*(Amounts in thousands Euro, unless otherwise stated)***CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR 2019**

COMPANY	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2019	58,951	202,774	104,587	(69,557)	296,755
Change in accounting policy	0	0	0	0	0
Restated Balances 1.1.2019*	58,951	202,774	104,587	(69,557)	296,755
Total comprehensive income for the year	0	0	13,609	(12,211)	1,398
Acquisition of treasury shares	0	0	(6,167)	0	(6,167)
Formation of reserves / Transfers	0	0	2,953	(2,953)	0
31st December 2019	58,951	202,774	114,982	(84,721)	291,986

COMPANY	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2018	58,951	202,774	68,549	(32,560)	297,714
Change in accounting policy	0	0	(394)	8	(387)
Restated Balances 1.1.2018*	58,951	202,774	68,155	(32,552)	297,327
Total comprehensive income for the year	0	0	748	(859)	(111)
Acquisition of treasury shares	0	0	(1,686)	0	(1,686)
Allocation of treasury shares	0	0	4,325	0	4,325
Termination in consolidation of joint entity	0	0	0	(3,101)	(3,101)
Formation of reserves / Transfers	0	0	33,044	(33,044)	0
31st December 2018	58,951	202,774	104,586	(69,557)	296,755

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GROUP	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
1st January 2019	58,951	381,283	375,193	(329,173)	486,254	242,744	728,998
Change in accounting policy	0	0	0	0	0	0	0
Restated Balances 1.1.2019*	58,951	381,283	375,193	(329,173)	486,254	242,744	728,998
Total comprehensive income for the year	0	0	(7,970)	23,457	15,487	30,666	46,153
Dividends	0	0	0	0	0	(686)	(686)
Acquisition of treasury shares	0	0	(6,167)	0	(6,167)	0	(6,167)
Change in interest of consolidated subsidiary	0	0	0	343	343	(1,849)	(1,506)
Termination in consolidation of joint entity	0	0	0	0	0	(123)	(123)
Share capital increase of subsidiary	0	0	0	0	0	204	204
Formation of reserves (Note 35)	0	0	105,154	(105,154)	0	0	0
Transfers/Other	0	0	1,901	(1,896)	5	(2)	3
31st December 2019	58,951	381,283	468,110	(412,423)	495,921	270,954	766,875

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GROUP	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
1st January 2018	58,951	381,283	243,935	(195,288)	488,881	279,274	768,155
Change in accounting policy	0	0	(393)	(4,468)	(4,861)	0	(4,861)
Restated Balances 1.1.2018*	58,951	381,283	243,542	(199,756)	484,020	279,274	763,294
Total comprehensive income for the year	0	0	(4,234)	4,466	232	29,786	30,018
Dividends	0	0	0	0	0	(2,897)	(2,897)
Acquisition of treasury shares	0	0	(1,686)	0	(1,686)	0	(1,686)
Allocation of treasury shares	0	0	4,325	0	4,325	0	4,325
Distribution of reserves	0	0	0	0	0	(36,768)	(36,768)
Change in interest of consolidated subsidiary	0	0	0	1,231	1,231	(64,521)	(63,290)
Termination in consolidation of joint entity	0	0	0	0	0	(3,456)	(3,456)
Share capital increase of subsidiary	0	0	0	0	0	41,325	41,325
Formation of reserves (Note 35)	0	0	188,548	(188,548)	0	0	0
Transfers/Other	0	0	(55,302)	53,434	(1,868)	0	(1,868)
31st December 2018	58,951	381,283	375,193	(329,173)	486,254	242,744	728,998

The accompanying notes form an integral part of the Annual Separate and Consolidated Financial Statements.

** The Group and the Company did not adjust the comparative amounts of 2018 when applying IFRS 16 (see Note 2.6.3). Moreover, under the application of IFRS 9, the Group and the Company recognized its cumulative effect in the item "Retained Earnings Balance" as at 01.01.2018, while no effect has arisen following the application of IFRS 15 as at 01.01.2018. The effect of application of IFRS 9 on the financial statements for FY 2018 is analyzed in Note 2.6.3 to the annual financial statements for FY ended as at 31.12.2018, posted on the Company's website and on ATHEX website.*

NOTES ON THE FINANCIAL STATEMENTS

1. ESTABLISHMENT AND ACTIVITY OF THE COMPANY

“**GEK TERNA Holdings, Real Estate, Construction S.A.**”, (the “Company” or “GEK TERNA”) as the company GEK TERNA Holdings, Real Estate, Construction S.A. was renamed according to the decision of the Extraordinary General Shareholders’ Meeting on 18.11.2008 and approved by the No. K2-15459/23.12.2008 decision of the Ministry of Development published in the Government Gazette with No. 14045/23.12.2008 (SA & LTD Companies Issue), is registered in the General Commercial Register of the Ministry of Development under Reg. No. 253001000 and in the Société Anonyme Registry of the Ministry of Development with Registration number 6044/06/B/86/142. The duration of the company has been set to thirty (30) years, while according to the decision of the Extraordinary General Shareholders’ Meeting on 26.03.1990 the duration of the company is extended up to the 31st of December 2030.

The company is based in the municipality of Athens and its head offices are located in 85 Mesogeion Avenue, Postal Code 11526, Athens (tel: 210-6968200), following the decision of its Board of Directors on the 14th of March 2003.

The company was founded in 1960 under the title ERMIS HOTELS AND ENTERPRISES S.A. In the middle of the 1960s it was renamed to ERMIS REAL ESTATE CONSTRUCTIONS ENTERPRISES S.A. with its main activity being building constructions (ERMIS mansion, apartment buildings and maisonettes in various areas across the country). In 1969, the company listed its shares in the Athens Stock Exchange (28.08.1969). Following the Extraordinary General Shareholders’ Meeting on the 4th of August 1999 the company’s ownership status is altered. On 16.10.2000, the decision No. K2- 10469/16.10.2000 of the Ministry of Development is registered in the Société Anonyme Registry. This decision approved the amendment, by changing the numbering and the provisions of the Articles, and the codification of the company’s Articles of Association in accordance with the decision of the Extraordinary General Shareholders’ Meeting on 17.07.2000. On the same date, the complete new text of the Articles of Association, with the amendments, is registered in the Société Anonyme registry. On 10.02.2004 the Board of Directors decided that the company should merge with the company “General Construction Company S.A.” by absorbing it. The Extraordinary General Shareholders’ Meetings of both the acquiring and the absorbed company, that took place on 15.10.2004, approved the Merger Contract Plan. The merger was completed on 03.12.2004 with decision K2-13956 of the Ministry of Development that was published in the Government Gazette under No. 14334/03.12.2004. At the same time, the change of the company’s name and the amendment of its corporate objective were approved.

On 23.12.2008 the merger through absorption of part of the other activities of the company TERNA SOCIETE ANONYME TOURISM TECHNICAL AND SHIPPING COMPANY, was approved by means of the decision by the Ministry of Development under Reg. No. K2-15458/23.12.2008 and at the same time the share capital increase by 25,386,322.56 euro. Thus the share capital amounted to Euro 48,953,132.16 divided into 85,882,688 common registered shares, with a nominal value of Euro 0.57 each.

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By the decision on 06.12.2013 of the A' Repetitive Extraordinary General Meeting it has been decided the increase of the Company's Share Capital by the amount of Euro 4,890,417.60 with cash deposits, through the issuance of 8,579,680 common ordinary shares on nominal value Euro 0.57 and offer price of Euro 2.5 each. The derived difference from the share premium amounting to Euro 16,558,782.40 it was credited to the share premium account.

The specific share capital increase has been completed through the abdication of the existing shareholders' preference right over the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. As a result of the above, the share capital of the company stood at the amount Euro 53,843,549.76, it is fully paid up and divided into 94,462,368 common registered shares with a nominal value of 0.57 each. On 23.12.2013 it was recorded to the General Commercial Registry the N. K2 - 7312 decision of the Ministry of Development and Competitiveness by which it has been approved the aforementioned increase of the Share Capital.

Following the decision on 06.12.2013 of the A' Repetitive Extraordinary General Meeting of the Company's shareholders and the decision of the Board of Directors on 27.03.2015, the Company's share capital increased by the amount of three million two hundred eighty six thousand one hundred sixteen euro and sixty nine cents (3,286,116.69) via the issuance of five million seven hundred sixty five thousand one hundred and seventeen (5,765,117) new shares, with nominal value of fifty seven cents of euro (Euro 0.57) per share and offering price of two euro and forty three cents (Euro 2.43) per share, due to the conversion of one hundred forty (140) bond securities with nominal value of one hundred thousand euro (Euro 100,000.00) per security of the Company's Convertible Bond Loan increased with the contractual interest. Following and pursuant to the above decision of the General Meeting of the Company's shareholders, the share capital of the Company, based on the Board of Directors' decision on 29.06.2015, increased by the amount of one million six hundred sixty two thousand, seven hundred twenty five euro and ninety one cents (1,662,725.91) with the issuance of two millions nine hundred seventeen thousand and sixty three (2,917,063) new shares, with nominal value of fifty seven cents of the euro (Euro 0.57) and with offering price two euro and forty seven cents (Euro 2,47) per share, due to the conversion of seventy (70) bonds, with nominal value of one hundred thousand each (Euro 100,000.00) of the Convertible Bond Loan of the Company, increased with the contractual interest.

With the decision of 29th March 2016, the Board of Directors approved the increase of the Company's share capital by one hundred fifty eight thousand, eight hundred eighty three Euros and fifty one cents (Euro 158,883.51), via the issuance of two hundred seventy eight thousand, seven hundred forty three (278,743) common registered shares with nominal value of fifty seven cents (Euro 0.57) per share and with offering price of two Euros and forty three cents (Euro 2.43) per share, due to conversion of convertible bonds (in the context of the Company's Convertible Bond), of nominal value of six hundred thousand Euros (Euro 650,000.00), increased with the interest of the holding period, in shares. Following the aforementioned decision, the convertible Bond Loan signed between the Company and the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. was fully repaid.

Following the above changes, the Company's share capital amounts to fifty eight million, nine hundred fifty one thousand, two hundred seventy five Euros and eighty seven cents (Euro 58,951,275.87), and is divided to one hundred and three million, four hundred twenty three thousand and two hundred and ninety one (103,423,291) common registered shares with a nominal value of fifty seven cents (Euro 0.57) each.

The main activity of the Company is the development and management of investment property, the construction of any kind, the management of self-financed or co-financed projects, the construction and operation of energy projects, as well as its participation in companies having similar activities.

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The Group has a significant and specialized presence in construction, the production and trading of energy as well as in the development, management and exploitation of investment property having a strong capital base.

The activities of the Group mainly take place in Greece, while at the same time it has significant presence in the Balkans, the Middle East, Eastern Europe and North America. The Group's operations focus on the following operating segments:

- **Constructions:** almost exclusively, technical construction contracts.
- **Electric energy from RES:** production of electric energy arising from wind farms, solar and hydropower and biomass.
- **Thermal energy and trading in electric energy:** production of electric energy through fuels and natural gas and trading in electric energy.
- **Industry:** refers to the production of quarry products and the exploitation of magnesite quarries.
- **Real Estate:** acquisition, development and exploitation of real estate as well as investments for the purposes of acquisition of surplus value from the increase in the real estate items prices.
- **Concessions:** construction and operation of infrastructure (eg motorways), other public interest projects (Unified Automatic Collection System and municipal waste treatment plant) and other facilities (eg parking stations, etc.) in exchange for provision of long-term exploitation services to the public.
- **Holdings:** supporting the Group's operating segments and trial operation of new operating segments.

At the end of the closing year, the total number of the Group's headcount worldwide was 3.878 and the Company's – 21. Respectively, at the end of the previous year on 31.12.2018, the Company's headcount was 17, and the Group's - 5.107 worldwide.

The consolidated companies included in the consolidated Financial Statements and their unaudited FYs are analytically recorded Note 5 to the Financial Statements.

The attached separate and consolidated Financial Statements as of 31st December 2019 were approved by the Board of Directors on 01.06.2020 and are subject to the final approval of the General Meeting of Shareholders. The Financial Statements in question are available to the investing public at the Company's premises (Athens, 85 Mesogeion Ave.) and the Company's website on the Internet.

2. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS

2.1. Basis for Financial Statements Presentation

The Company's separate and consolidated Financial Statements as of 31.12.2019 covering the financial year starting on January 1st until December 31st 2019, have been prepared according to the International Financial Reporting Standards (IFRS), which were published by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union until 31.12.2019.

The Group applies all the International Accounting Standards, International Financial Reporting Standards and their Interpretations, which apply to the Group's activities. The relevant accounting policies, a summary of which is presented below in Note 4, have been applied consistently in all periods presented.

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Going concern

The Group's management estimates that the Company and its subsidiaries hold sufficient resources, which ensure their operation as "Going Concern" in the foreseeable future.

2.2. Basis of measurement

The accompanying separate and consolidated financial statements as of December 31st 2019, have been prepared according to the historical cost principle, apart from investment property, financial derivatives and investments in securities financial measured at fair value.

2.3. Presentation currency

The presentation currency is Euro (the currency of the Group's parent domicile) and all the amounts are presented in thousand Euro unless otherwise mentioned.

2.4. Comparability

Comparative figures recorded in the Financial Statements for the years ended as at 31.12.2018 have not been restated in order to present the effect of IFRS 16 (see Note 2.6.3).

2.5. Use of estimates

The preparation of the financial statements according to IFRS requires the use of estimates and judgments on the application of the Company's accounting policies. Judgements, assumptions and Management estimates affect the valuation of several asset and liability items, the amounts recognized during the financial year regarding specific income and expenses as well as the presented estimates on contingent liabilities.

Assumptions and estimates are assessed on a continuous basis according to historic experience and other factors, including expectations on future event outcomes that are considered as reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may deviate from the accounting calculations.

The aspects requiring the highest degree of judgment as well as the aspects mostly affecting the consolidated Financial Statements are presented in Note 3 to the Financial Statements.

2.6. New Standards, Interpretations, Revisions and Amendments to Standards

The accounting principles applied for the preparation of the financial statements are the same as those applied for the preparation of the annual financial statements of the Group and the Company for FY ended as at 31 December 2018, apart from the adoption of several new accounting standards, whose application was mandatory in the European Union for FYs beginning as at January 1st, 2019 (see Notes 2.6.1 and 2.6.2).

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

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01.01.2019.

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IFRS 16 “Leases” (effective for annual periods starting on or after 01.01.2019)

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer (‘lessee’) and the supplier (‘lessor’), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The Group has examined the effect of the new Standard on its consolidated and separate Financial Statements. Analytical reference is presented in Note 2.6.3.

IFRIC 23 “Uncertainty over Income Tax Treatments” (effective for annual periods starting on or after 01.01.2019)

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 “Income Taxes” specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The amendments do not affect the consolidated and separate Financial Statements.

Amendments to IFRS 9: “Prepayment Features with Negative Compensation” (effective for annual periods starting on or after 01.01.2019)

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the “negative compensation” feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The amendments do not affect the consolidated and separate Financial Statements.

Amendments to IAS 28: “Long-term Interests in Associates and Joint Ventures” (effective for annual periods starting on or after 01.01.2019)

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The amendments do not affect the consolidated and separate Financial Statements.

Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01.01.2019)

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: **IFRS 3 - IFRS 11:** Previously held interest in a joint operation, **IAS 12:** Income tax consequences of payments on financial instruments classified as equity, **IAS 23:** Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The amendments do not affect the consolidated and separate Financial Statements.

Amendments to IAS 19: “Plan Amendment, Curtailment or Settlement” (effective for annual periods starting on or after 01.01.2019)

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan.

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The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments do not affect the consolidated and separate Financial Statements.

2.6.2. New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01.01.2020)

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01.01.2020.

Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01.01.2020)

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01.01.2020.

Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01.01.2020)

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01.01.2020.

Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform" (effective for annual periods starting on or after 01.01.2020)

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform.

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The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank offered rates (IBORs). It requires companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union adopted by the European Union with effective date of 01.01.2020.

Amendments to IFRS 3: “Definition of a Business” (effective for annual periods starting on or after 01.01.2020)

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (effective for annual periods starting on or after 01.01.2022)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

2.6.3. Effect of implementation of IFRS 16 “Leases” on 01.01.2019

a) First implementation of IFRS 16 as of 01.01.2019

Following the changes to accounting policies, as described above (Note 2.6.1), as at January 1st, 2019, the Group and the Company adopted IFRS 16, applying the modified retrospective approach. Based on this approach, the Group recognized a liability measured at its present value, as arising from discounting the remaining leases through the incremental borrowing cost effective on the date of the Standard’s initial application, i.e. on 01.01.2019.

Furthermore, it recognized a right-of-use asset by measuring that right at an amount equal to the corresponding liability that will be recognized, adjusted for any lease payments immediately effective prior to the date of initial application. Comparative information was not reworded, and no effect has arisen following the application of the new Standard on Balance of Retained Earnings under the first time adoption, i.e. on 01.01.2019.

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Moreover, the Group has applied the exemption provided in the Standard with respect to determination of leases, and, in particular, the applicable practices under IFRS 16, according to which the Entity does not need to reassess whether a contract is or contains a lease at the first transition date. This practically means that IFRS 16 was applied to contracts that have already been recognized as leases under the application of IAS 17 "Leases" and IFRIC 4 "Determining whether an Arrangement contains a Lease".

Finally, the Group also made use of exemptions to the Standard in respect of short-term leases and low value fixed assets leases. With respect to the discount rate, the Group has decided to apply a single discount rate to every category of leases with similar characteristics and depending on the residual duration of every lease.

Adoption of IFRS 16 had the following significant results for the Group:

- The Group holds operating leases in respect of land, buildings, machinery and vehicles. The Standard has mainly affected the accounting treatment of the Group's operating leases. In particular, upon the adoption of IFRS 16, the liabilities arising from operating lease contracts are presented as assets (rights to use) and liabilities from leases in the statement of financial position. The increase in the operating lease liabilities has not led to a corresponding increase in the Group's net borrowings.
- The nature of the expenses associated with these leases has changed, since following the application of IFRS 16, operating cost of lease is depreciated at amortized cost for the rights-related assets and interest expense on the arising liabilities. This has led to an improvement in "Operating Profit before Financial and Investment Activities, Depreciation and Amortization".
- No effect has arisen on the statement of changes in equity under the first implementation since the Group has decided to recognize an equal liability with right-of-use.
- In the statement of cash flows, the component relating to repayment of lease payments will reduce cash flows from financing activities and will no longer be included in net cash flows from operating activities. Moreover, interest payments are included in net cash flows from financing activities.

IFRS 16 has not brought about any significant changes to the accounting for lessors, and therefore the Group does not expect any changes for leases where they are acting as a lessor.

Effect of IFRS 16 implementation is analytically recorded in Note 2.6.3 (c).

b) New accounting policy regarding leases

Until 2018, leases were classified as finance or operating in accordance with the requirements of IAS 17. Finance leases were capitalized at the commencement of the lease at the lower value that arises between the fair value of the asset and the present value of the minimum lease payments, each of which were identified at the commencement of the lease. Every lease payment was allocated as liability and interest. Operating lease payments were recorded in the income statement on a straight-line basis over the term of the lease.

As of 01.01.2019, under IFRS 16, leases are no longer classified as operating leases and finance leases, and all leases are accounted for as items in the "Statement of Financial Position", through recognition of a "right-of-use asset" and a "lease liability".

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Recognition and initial measurement of the right-of-use asset

At the lease period commencement date, the Group recognizes a right-of-use asset and a lease liability, measuring the right-of-use asset at cost.

The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability (see below),
- any lease payments made at or before the commencement date, less any lease incentives received,
- the initial direct costs incurred by the lessee, and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site at which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group undertakes the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Initial measurement of the lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

1. fixed payments less any lease incentives receivable,
2. any variable lease payments that depend on the future change in index or a rate, initially measured using the index or rate as at the commencement date
3. amounts expected to be payable by the Group under residual value guarantees,
4. the exercise price of a purchase option if the Group is reasonably certain to exercise that option and
5. payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

Subsequent measurement

Subsequent measurement of the right-of-use asset

After the commencement date, the Group shall measure the right-of-use asset applying a cost model.

The Group shall measure the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any measurement of the lease liability.

The Group applies the requirements in IAS 16 in depreciating the right-of-use asset, which it reviews for potential impairment.

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Subsequent measurement of the lease liability

After the commencement date, the Group shall measure the lease liability by:

1. increasing the carrying amount to reflect interest on the lease liability,
2. reducing the carrying amount to reflect the lease payments made, and
3. remeasuring the carrying amount to reflect any reassessment or lease modifications.

Financial cost of a lease liability is allocated over the lease term in such a way that it results in a constant periodic rate of interest on the remaining balance of the liability.

After the commencement date, the Group shall recognize in profit or loss, (unless the costs are included in the carrying amount of another asset applying other applicable Standards), both:

1. financial cost of the lease liability, and
2. variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

c) The amounts recognized in the Condensed Interim Statement of Financial Position and Comprehensive Income

The right-of-use assets and liabilities from leases recognized as at IFRS 16 transition date 01.01.2019 (increase /(decrease)), are presented below as follows:

	GROUP	COMPANY
Assets		
Right-of-use assets (Note 9)	37,266	331
Tangible assets (Note 10)	(19,381)	0
Total Assets	17,885	331
	GROUP	COMPANY
Liabilities		
Lease liabilities long-term part (Note 25)	20,280	272
Loans from finance lease	(6,547)	0
Long-term loan liabilities carried forward	(5,335)	0
Lease liabilities short-term part (Note 25)	9,487	59
Total Liabilities	17,885	331

3. SIGNIFICANT ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENTS

Preparation of Financial Statements in accordance with the International Financial Reporting Standards (IFRS) requires the Management to make judgments, estimates and assumptions which affect assets and liabilities, contingent receivables and liabilities disclosures as well as revenue and expenses during the presented periods.

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In particular, amounts included in or affecting the financial statements, as well as the related disclosures, are estimated through making assumptions about values or conditions that cannot be known with certainty at the time of preparation of the financial statements and therefore actual results may differ from what has been estimated. An accounting estimate is considered significant when it is material to the financial position and income statement of the Group and requires the most difficult, subjective or complex judgments of the Management. Estimates and judgments of the Management are based on past experience and other factors, including expectations for future events that judged to be reasonable in the circumstances. Estimates and judgments are continually reassessed on the basis of all the available data and information.

Key estimates and evaluations referring to data whose development could affect the financial statements items in the upcoming 12 months are the following:

3.1 Significant judgments of the Management

Key judgments carried out by the Management, applied while implementing the Group and the Company accounting policies, (besides the judgments associated with estimates, outlined in Note 3.2) which have the most significant impact on the financial statements mainly relate to the following:

i) Recognition of deferred tax assets

The extent to which deferred tax assets are recognized for unused tax losses is based on the judgment regarding the extent to which it is probable that sufficient taxable profits will be offset with these tax losses.

In order to determine the amount of a deferred tax asset for recognition, significant judgments and estimates are required from the Group's Management, based on future tax profits combined with future tax strategies to be pursued as well as the uncertainties dominating various financial frameworks, within which the Group operates (for further information please refer to Note 36).

ii) Impairment of non-financial assets and goodwill

Non-financial assets are tested for impairment whenever events or changes in the effective conditions demonstrate that their book value may not be recoverable in accordance with the accounting policy described in Note 4.9.

iii) Evaluation of contracts containing lease data

In the context of electricity sale contracts, signed by the Group with an electric energy provider company, the Group undertakes the obligation to sell all the electricity generated at a particular premises. The Group examines the sale of electricity contracts in order to assess whether they include lease items to recognize the related proceeds in accordance with IAS 16 "Leases". Lease terms are considered to be included in a contract when all production of a particular wind farm is sold to the provider and the contractual price is neither fixed nor represents the current market price at the time of production. The estimate of income from rentals recognized under the straight-line method depends on the future production of the wind farm according to its capacity and wind measurements.

3.2 Uncertainty of estimates and assumptions

Specific amounts that are included or affect the Financial Statements and the related disclosures are estimated through requirement to make assumptions about values or conditions that cannot be known with certainty at the Financial Statements preparation date.

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An accounting estimate is considered significant when it is material to the financial position and results of the Group and requires most difficult, subjective or complex management judgments. The Group assesses such estimates on an ongoing basis, based on historical results and experience, while meetings with specialists, applying trends and other methods considered reasonable in the circumstances, as well as projections retrograding potential changes in the future.

i) Recognition of revenue from construction contracts

Managing the revenue and costs of a construction contract, depends on whether the final result from the execution of the contract work can be reliably estimated (and is expected to bring profit to the manufacturer, or the result from execution is loss-making). When the outcome of a construction contract can be reliably estimated, then the revenue and expense of the contract are recognized over the life of the contract, respectively, as revenue and expense.

The Group uses the completion stage to determine the appropriate amount of income and expense which it will recognize in a specific period. Specifically, based on the IFRS 15 input method, the manufacturing cost at each reference date, is compared to the total budgeted cost to be determined at the integration rate. The completion stage is measured on the basis of the contractual costs incurred by the reference date in relation to the total estimated cost of each project. The Group therefore makes significant estimates regarding the gross result with which the executed construction contract will be executed (total budgeted cost of the construction contract).

ii) Useful lives of depreciated assets

In order to calculate depreciation, in every reporting period, the Group examines the useful life and residual value of tangible and intangible assets in the light of technological, institutional and economic developments as well as the experience arising from their exploitation. As at 31.12.2019, the Management estimates that useful lives represent the expected usefulness of assets.

iii) Fair value measurement of investment property

In order to measure the value of its investment property, in cases, when active market prices are available, the Group determines the fair value based on the valuation reports prepared by independent valuers. If no objective data is available, in particular, due to economic conditions, the Management measures such values based on its past experience, taking into account the available data (further information is presented in Note 11).

iv) Fair value measurement

The Management uses valuation techniques to determine the fair value of financial instruments (when no active market prices are available) and non-financial assets. This procedure involves making estimates and assumptions about the price that market participants would pay to acquire these financial instruments.

The Management bases its assumptions on observable data, but this is not always feasible. In such cases, the Management uses the best available information for its estimates, based on its past experience and taking into account available information. Estimated fair values may differ from the actual values that would be made in the ordinary course of transactions as at the reporting date of the financial statements (further information is presented in Note 49).

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The Group uses derivative financial instruments to manage a range of risks including risks related to interest rates and commodity prices. For the purpose of establishing an effective hedging relationship, the Group requires both to state its hedging strategy and to assess that the hedge will be effective throughout the hedging instrument (derivative). Additional information on the use of derivatives is provided in Note 33.

v) Inventory

To facilitate valuation of inventories, the Group estimates, based on statistical valuation reports and market conditions, the expected selling prices and the costs of processing and disposing them, per inventory category.

vi) Estimates when calculating value in use of Cash Generating Units (CGU)

The Group conducts a related impairment test of investments in subsidiaries and associates whenever there is evidence of impairment in accordance with the provisions of IAS 36. If it is established that there are reasons for impairment, it is necessary to calculate value in use and fair value less costs to sell regarding every CGU. Recoverable amounts of CGUs are determined for impairment tests purposes, based on the value in use calculation, which requires making estimates. For the purpose of calculating value in use, estimated cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money as well as the risks associated with particular CGU (further information is presented in Note 12).

vii) Provision for personnel compensation

Based on IAS 19, the Group, makes estimates of the assumptions underlying the actuarial valuation of provision for personnel compensation. The provision amount for personnel compensation is based on an actuarial study. The actuary's study includes specific assumptions on discount rate, employees' remuneration increase rate, consumer price index increase and the expected remaining working life. The assumptions used are imbedded with significant uncertainty and the Group's Management continuously reassesses these assumptions (for further information please refer to Note 27).

viii) Provision for income tax

The provision for income tax based on IAS 12 is calculated by estimating the taxes to be paid to tax authorities and includes the current income tax for every financial year and a provision for additional taxes that might emerge in tax audits.

The Group's companies are subject to various income taxation legislations. To determine the total provision for income tax, as presented in the Statement of Financial Position, significant estimates are required.

For specific transactions and calculations, the final tax determination is uncertain. The Group recognizes liabilities for the forecasted tax issues based on calculations as to the extent to which additional tax will arise. In cases where the final tax amount differs from what had been initially recognized, the differences affect the provisions for income tax and deferred tax for the period when it had been determined (for further information please refer to Note 36).

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ix) Provisions for rehabilitation of environment

The Group makes provision for its related obligations to dismantle the technical equipment of wind farms and other productive facilities and restoration of the environment resulting from the applicable environmental legislation or from binding practices of the Group.

Provision for rehabilitation of environment reflects the present value (based on the appropriate discount rate) of the rehabilitation obligation less the estimated recoverable amount of the materials, estimated to be disposed of and sold (further information is recorded in Note 4.19 and 28).

x) Provision for rehabilitation or maintenance obligation under the Concession Agreement

The concession agreement with the Greek State includes the contractual obligation of the concessionaire to maintain the infrastructure at a defined level of service provision or to restore the infrastructure to a specific condition before delivering it to the concessionaire at the end of the concession period. Calculating the amount to be considered as a provision for rehabilitation or maintenance obligation is a complex procedure, relying on judgment that have to do with the cost and timing of such project implementation as well as the actual costs that may differ from the projected costs (further information is presented in Note 28).

xi) Equity instruments having a substance of financial liability

The Group has issued equity interests in the United States in the context of the Tax Equity Investment plan, whose payments depend on the future returns of specific investments (wind farms) of the Group. This financial liability is measured at amortized cost, applying the effective interest method. Calculation of the effective interest rate is based on the management's estimates of future cash flows of those investments over their expected life. (see Notes 4.13.5 and 26).

xii) Contingent liabilities and receivables

The existence of contingent liabilities and receivables requires the management to make assumptions and judgments on on-going basis about the probability that future events will occur or not occur as well as the possible consequences that these events may have on the Company's and the Group's operations. Determining contingencies and requirements is a complex process that includes judgments about future events, laws, regulations, etc. Changes in crises or interpretations are likely to lead to an increase or decrease in the Company's contingent liabilities in the future. When additional information becomes available, the Group's Management reviews the facts on which it may also be led to review its estimates (see Note 51).

xiii) Provisions for expected credit losses from receivables from clients

The Group and the Company apply the simplified approach under the provisions of IFRS 9 for calculation of expected credit losses. Under the aforementioned approach, provision for impairment is measured at an amount equal to the expected lifetime loss for the receivables from customers and the contractual assets. The Group and the Company have made provisions for bad debts in order to adequately cover the loss that can be reliably estimated and arises from these receivables. At every reporting period date, the provision that has been made is adjusted and potential changes are recognized in the income statement (further information is presented in Notes 18, 19 and 20).

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xiv) Acquisition of a company or business

Determination of fair value and useful life of acquired tangible and intangible assets in cases when use of estimates is required. Future events could cause changes to the assumptions used by the Group, which could have an impact on the Group's income statement and equity (further information is presented in Note 7).

xv) Valuation of cash flow hedging agreements

The Group uses financial derivatives and specifically it enters into interest rate swaps to hedge its risk linked to fluctuations of interest rates. The swap agreements are valued according to market estimations regarding the trend of relevant interest rates for periods up to thirty years. According to such estimated interest rates, the cash flows are discounted in order to define the liability on the date of the financial statements (further information is presented in Note 33).

xvi) Operating support operation and recognition of financial instruments receivables

The subsidiary CENTRAL GREECE MOTORWAY S.A. regarded the contractual obligation of the Greek state to support operation as a hybrid financial instrument that includes an embedded derivative as a non-derivative host contract. Subsequently, the Group's subsidiary in question unbundled the embedded derivative from the host contract and, in accordance with IAS 39 (under the initial application) and IFRS 9, recognized a derivative financial item (receivables), i.e. the component of operating support that covers future payments of interest rate derivatives. Calculation of fair value of the receivable includes estimates of the credit risk of the counterparty (Greek State), an estimate of future outflows and the existence of a contingent time difference between the payments of the derivatives and the collection of operating support. The above estimates are re-evaluated on every reporting date. Further information is provided in Notes 4.14 and 33.

4. SUMMARY OF KEY ACCOUNTING PRINCIPLES

4.1 Basis for consolidation

The accompanying consolidated financial statements include the financial statements of GEK TERNA and its subsidiaries as at 31.12.2019. The date of preparation of the financial statements of the subsidiaries coincides with that of the parent.

Intra-group transactions and balances have been eliminated in the accompanying consolidated financial statements. Where required, the accounting policies of subsidiaries have been amended to ensure consistency with the accounting policies adopted by the Group. Note 5 provides a complete list of consolidated subsidiaries in line with the participating interest, held by the Group.

Subsidiaries are consolidated from the date the Group acquires control over them and cease to be consolidated at the date of termination of this control.

Non-controlling interests constitute the component of equity of a subsidiary not directly or indirectly attributable to the parent. Losses relating to non-controlling interests (minority interests) of a subsidiary may exceed the rights of non-controlling interests in the subsidiary's equity.

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Gains or losses and each component of other comprehensive income are accounted for both by the owners of the parent and the non-controlling interests, even if as a result, such non-controlling interests present deficit.

(a) Subsidiaries

Subsidiaries are all the companies, which the Parent has the power to control directly or indirectly through other subsidiaries and they are fully consolidated (full consolidation). The Company has and exercises control through its ownership of the majority of the subsidiaries' voting rights. In order to define the control, the following conditions are examined, as defined in IFRS 10:

- i. The parent company has authority over the investee, since it can direct the related (operational and financial) activities. This is achieved through appointing the majority of the members of the Board of Directors and the directors of the subsidiary by the Management of the parent.
- ii. The parent company holds rights with variable returns from its investment in the subsidiary. Other non-controlled investments are greatly dispersed and therefore cannot materially influence decision-making.
- iii. The parent company may exercise its authority over the subsidiary to influence the amount of its profits. This is the result of decision-making on affiliate matters through controlling decision-making bodies (Board of Directors and Directors).

Changes in a parent's ownership interest in a subsidiary

In case of changes in a parent's ownership interest in a subsidiary, it is examined whether the changes result in a loss of control or not.

- Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). In such circumstances, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognized directly in equity.
- In case the parents' ownership interest changes in such a way that there is loss of control, then the parent shall record the necessary accounting entries and recognize the result from the sale (derecognition of the assets, goodwill and liabilities of the subsidiary as of the date of loss of control, derecognition of the book value of non-controlling interests, determination of the result from the sale).
- When determining the sale result, any amount previously recognized in other comprehensive income in respect of that company is accounted for using the same method as would be applied by the Group in the event of direct sale of its assets or liabilities. That is to say, the amounts previously recognized in other comprehensive income are reclassified to the income statement.
- Following loss of control of a subsidiary, any investment in the former subsidiary is recognized according to the provisions of IFRS 9.

Investments in subsidiaries in the separate financial statements

Investments of the parent in its consolidated subsidiaries are measured at cost less any accumulated impairment losses. Impairment test is carried out in accordance with the provisions of IAS 36.

(b) Joint arrangements

The Group applies IFRS 11 to all its joint arrangements. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the contractual rights and obligations of each investor. Jointly controlled entities are incorporated using the proportionate consolidation method in the Company (if it is a joint operation) or the equity method (if it is a joint venture) in the Group.

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Joint operations: Joint operations are accounted for using the proportional consolidation method. In particular, the Group recognizes in the consolidated financial statements: (i) its assets (including its share in any of its assets it holds jointly), (ii) its liabilities (including its share of any jointly held liabilities), (iii) its share in the proceeds of the sale from disposal of joint venture, and (iv) its expenses (including its share in any jointly incurred expenses). Essentially, these are, mostly, tax joint operations, which do not constitute a separate entity within the framework of the IFRS. Their assets and liabilities are incorporated according to the effective proportions in the financial statements of the Company.

Joint ventures: Joint ventures are accounted for using the equity method, under which participating interests in joint ventures are initially recognized at cost and subsequently readjusted in compliance with the Group's share of the profits (or losses) and other comprehensive income of the joint ventures. Under the joint venture model, joint venture schemes are the ones in which members have rights over the net assets of the investments and are liable up to the extent of their contribution to the capital of the company. If the Group's participating interest in joint venture losses exceeds the value of the participating interest, the Group discontinues recognizing further losses unless it has entered into commitments or has made payments on behalf of the joint venture. Allocation of operating results and other comprehensive results is proportional to the participating interest.

Unrealized gains on transactions between the Group and joint ventures are eliminated according to the Group's interest in joint ventures. Unrealized losses are also eliminated unless there is evidence of the transaction for impairment of the asset transferred.

Consolidation takes into account the percentage held by the Group and is effective as at consolidation date. The structure of the business scheme is the key and determining factor in determining the accounting treatment.

The accounting policies of jointly controlled entities are consistent with those adopted and applied by the Group. The date of preparation of the financial statements of jointly controlled entities coincides with that of the parent Company.

Investments in jointly controlled operations in the separate financial statements

Investments of the parent in joint operations are included in the separate financial statements in proportion. In particular, assets and liabilities are proportionally incorporated in the Company's financial statements.

Investments in joint ventures in the separate financial statements

Investments of the parent in joint ventures are measured at cost less any accumulated impairment losses. Impairment test is carried out in accordance with the provisions of IAS 36.

(c) Associates

Associates are entities over which the Group exercises significant influence, but does not exercise control. The Group's investments in associates are accounted for using the equity method. The assumptions used by the Group suggest that holding participating interest of between 20% and 50% of a company's voting rights implies a significant influence over the investee unless it can be clearly demonstrated that this is not the case. Investments in associates are initially recognized at cost and then consolidated using the equity method.

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According to this method, investments in associates are recognized at cost plus any changes in the Group's participating interest after the initial acquisition date, excluding any provisions for impairment of those participating interests.

Consolidated statement of comprehensive income includes the proportion of the Group in the total income of associates. If the Group's participating interest in an Associate's loss exceeds the value of the participating interest, the Group discontinues recognizing further losses unless it has settled liabilities or made payments on the part of the affiliate and, in general, settled the payments arising from shareholding. If the associate subsequently produces profits, the investor starts recognizing its share of profits only if its share of profits equals the share of losses it had not recognized.

Unrealized gains on transactions between the Group and associates are eliminated according to the Group's participating interest in associates. Unrealized losses are eliminated unless the transaction provides evidence of impairment of the transferred asset.

Accounting policies followed by associates do not differ from those used by the Group and the date of preparation of the financial statements of associates is the same as that of the parent.

Investments in associates in the separate financial statements

Investments of the parent in consolidated associates are measured at cost less any accumulated impairment losses. Impairment test is carried out in accordance with the provisions of IAS 36.

4.2 Business combinations

Subsidiaries are fully consolidated (full consolidation) applying the acquisition method from the date when control over them has been acquired and cease to be consolidated from the date when such control is no longer effective. The acquisition of a subsidiary by the Group is accounted for using the acquisition method. As at the acquisition date, the acquirer recognizes the goodwill arising on the acquisition transaction as the excess between:

- the aggregation of (i) the transferred consideration, measured at fair value; (ii) the amount of any non-controlling interests in the acquire (measured at fair value or the proportion of non-controlling interests in its net identifiable assets (iii) in a business combination that is completed in stages, the fair value at the date of acquisition of the acquirer's shareholding previously acquired in the acquire, less
- the net fair value of the acquires identifiable assets and liabilities as at the acquisition date,

Goodwill is tested for potential impairment on annual basis and the balance between its carrying amount and recoverable amount is recognized as an impairment loss, burdening the income statement for the period.

The costs arising under acquisition of investments in subsidiaries (e.g. fees of consultants, lawyers, accountants, appraisers and other professionals and consultant's fees) are recognized as expenses and burden the income statement for the period when they are incurred.

Otherwise, when the acquire acquires participating interest, in which, at the acquisition date, net value of assets and assumed liabilities exceeds the transferred consideration, then the issue is classified as an acquisition opportunity. Following the necessary reviews, the excess arising from the above balance is recognized as profit in the income statement for the period.

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4.3 Foreign currency translation

Functional and reporting currency

The consolidated financial statements are presented in Euro, which is the functional currency and the Group's and Parent Company's reporting currency.

Transactions and balances in Foreign Currency

Foreign currency transactions are converted into the functional currency by using the exchange rates applicable on the date when the said transactions were performed. The monetary assets and liabilities which are denominated in foreign currency are converted into the Group's functional currency on the Statement of Financial Position reporting date using the prevailing exchange rate on that day. Any gains or losses due to translation differences that result from the settlement of such transactions during the period, as well as from the conversion of monetary assets denominated in foreign currency based on the prevailing exchange rates on the Statement of Financial Position reporting date, are recognized in the Income Statement.

The non-monetary assets which are denominated in foreign currency and which are measured at fair value are converted into the Group's functional currency using the prevailing exchange rate on the date of their fair value measurement. The FX translation differences from non-monetary items measured at fair value are considered as part of the fair value and thus are recorded in the same account as the fair value differences.

Gains or losses arising from transactions in foreign currency as well as from the end of period valuation of monetary assets, denominated in foreign currency, which meet the criteria for cash flow hedges are recognized in other comprehensive income and cumulatively in equity.

Foreign operations

The functional currency of the Group's foreign subsidiaries is the official currency of the country in which every subsidiary operates. For the preparation of consolidated financial statements, assets and liabilities of foreign subsidiaries, including goodwill and fair value adjustments due to business combinations, are translated into Euro at the exchange rates effective at the Statement of Financial Position reporting date. Revenue and expenses are translated into the presentation currency of the Group based on the average exchange rates for the reported period. Any differences arising from this procedure are charged / (credited) to the foreign currency translation differences reserves of the foreign subsidiaries, equity, and are recognized in other comprehensive income in the Statement of Comprehensive Income. Upon the disposal, write off or derecognition of a foreign subsidiary, the above reserves are transferred to profit or loss for the period.

4.4 Operating segments

The Company's BoD is the main corporate body responsible for business decision-making. The BoD reviews all of the internal financial reports in order to assess the Company's and Group's performance and resolve upon the allocation of resources. The Management has set the operating segments based on the said internal reports. The BoD uses different criteria in order to assess the Group's activities which vary according to the nature of each segment, taking into consideration the risks involved and their cash requirements.

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GEK TERNA's operating segments are defined as the segments in which the Group operates and on which the Group's management information systems are based (please refer to Note 6).

4.5 Goodwill

Goodwill arises from acquisition of subsidiaries and associates or acquisition of control in a company.

Goodwill is recognized as the balance between acquisition cost and fair value of assets, liabilities and contingent liabilities of the acquiree as at the acquisition date. In the case of a subsidiary's acquisition, goodwill is recorded as a separate asset, while in the case of an associate's acquisition, goodwill is included in the value of the Group's investments in associates.

As at the acquisition date (or at the date of the completion of the relative consideration allocation), acquired goodwill is allocated to the cash-generating units or groups of cash-generating units that are expected to benefit from that business combination. After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortized but is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that a potential impairment may have been incurred (see Note 4.9 regarding the procedures used to review goodwill impairment).

If a segment of a cash-generating unit, to which goodwill has been allocated, is disposed of, then the goodwill attributable to the disposed segment is included in the carrying amount of that segment to facilitate determination of gains or losses. The value of goodwill attributable to the disposed segment is determined based on the relative values of the disposed segment and the remaining segment of the cash-generating unit.

4.6 Intangible assets

The intangible assets of the Group concern

- i. Rights-of-use quarries and mines and operational development costs of land ,
- ii. Rights-of-use land plots characterized as forestry, where Wind Parks are located,
- iii. licensees acquired for Wind Parks, the right acquired under the concession agreements concluded with the State
- iv. providers invoicing rights arising from concessions and PPPs (see note 4.15) and
- v. acquired software programs

Upon initial recognition, the intangible assets acquired separately are recorded at cost. Intangible assets acquired as part of business combinations are recognized at fair value at the acquisition date.

Following initial recognition, the intangible assets are measured at cost less accumulated amortization and any impairment loss. Amortization is recorded based on the straight-line method during the useful life of the said assets. All the Group's intangible assets have a definite useful life.

The period and method of amortization is redefined at least at the end of every reporting period. Changes in the expected useful life of each intangible asset are accounted for as a change in accounting estimates.

Methods of amortization and useful lives of the Group's intangible assets can be summarized as follows:

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Category	Methods of amortization	Useful life in years
Software	Fixed	3
Generation and energy units installation and operation licenses	Fixed	25
Rights to use quarries and mines	Fixed	50
Expenses incurred under Operational Development of Quarries –Mines Land Plots Exploitation	Fixed	50
Concessions (rights arising from concession arrangements) NEA ODOS, CENTRAL GREECE MOTORWAY, IOLKOS S.A., HEIRON PARKING, PARKING LOT AT PLATANOU SQUARE KIFISIAS S.A., PARKING LOT AT SAROKOU SQUARE KERKYRAS S.A.	Note 4.15	Based on concession period (20-38)

Amortization of concession arrangements rights obtained, is made based on the execution rate of the specific construction contracts.

Gains or losses arising from the write-off due to disposal of an intangible asset are calculated as the difference between the net proceeds of the disposal and the current value of the asset and are recognized in profit or loss for the period.

(a) Software

The maintenance of software programs is recognized as an expense when the expense is realized. In the contrary, the costs incurred for improving or prolonging the return of software programs beyond their initial technical specifications, or respectively the costs incurred for the modification of the software, are incorporated in the acquisition cost of the intangible asset, only if they can be measured reliably.

(b) Forestry plots use rights

The value of the rights-of-use of the forestry land where the Wind Farms are installed includes the acquisition cost of these items less the amount of accumulated depreciation and any impairment of their value.

(c) Generation and energy units installation and operation licenses

Various types of licenses held by the Group enable it to construct energy units or have the right to produce and sell energy. Effective market conditions provide the required indications regarding the recoverable amount of these licenses.

Upon acquisition, the Group recognizes these licenses as intangible assets at fair value and then measures them applying the cost model, according to which the asset is measured at cost (which is the acquisition fair value) less accumulated depreciation and any accumulated provisions for impairment. Amortization is carried out on a straight-line basis over the useful life of those assets, which is 25 years for electricity generation from renewable energy sources. Regarding the impairment tests (please refer to Note 4.9.).

(d) Rights to use quarries and mines

The value of the rights-of-use regarding quarries and mines includes the acquisition cost of these assets less the accumulated depreciation and any potential impairment.

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(e) Concessions

In the capacity of concessionary companies, the Group's companies recognize an intangible asset and revenue to the extent they acquire the right to charge the users of utilities. Revenue recognition is based on the percentage of completion method. Furthermore, the intangible asset in question is subject to depreciation based on the time of the concession and impairment test, while revenue from the users of the infrastructure are recognized on an accrual basis to the extent they cover the operating costs of the Company. The additional component is recorded as a reduction of the intangible asset.

(f) Expenses incurred under Operational Development of Quarries –Mines Land Plots Exploitation

Such expenses concern query-mining operation development costs and mainly include procedures in respect of galleries surfacing costs, galleries opening coats and extracting sterile soil costs. During the operational development phase (before production starts), galleries surfacing costs are usually capitalized as part of the amortized cost of queries development and construction. Amortization of operating expenses incurred for development of mineral-ore extraction areas is calculated using the percentage recovery method of commercially recoverable mine. Amortization – expenses of capitalized operating costs arising from development of mines- queries include the costs of minerals mining and extraction costs. Operating costs arising from development of mines - queries are capitalized if, and only if, the following conditions are met:

- the Group will receive future economic benefits (improvement of access to mines) associated with the galleries surfacing activity.
- the Group can utilize the segment of the mine, the access to which has been improved, and
- the cost of the galleries surfacing activity associated with this segment can be measured reliably.

The asset arising from the galleries surfacing activity is added to the cost of the mine and is therefore valued at cost less accumulated depreciation and potential impairment.

4.7 Tangible assets

Tangible fixed assets are recognized in the financial statements at cost, less accumulated depreciation and any potential impairment losses. The acquisition cost includes all direct costs stemming from the acquisition of the assets.

Subsequent expenses are recorded as an increase in the book value of tangible assets or as a separate asset only to the degree that the said expenses increase the future financial gains anticipated from the use of the fixed asset and their cost can be measured reliably.

The cost of repair and maintenance works is recognized in the Income Statement when the said works are realized.

Tangible assets are written off when they are sold or withdrawn or when no further economic benefits are expected from their continued use. Profit or loss arising from the write-off of tangible fixed assets are included in the income statement for the year in which the asset is written off.

Assets under construction include fixed assets and are carried at cost. Assets under construction are not depreciated until the fixed asset is settled and put into operation.

Depreciation of tangible fixed assets (excluding land, which is not depreciated) is calculated based on the straight-line method over their estimated useful life as follows:

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Property, plant and equipment	Useful life (in years)
Building and technical works	8 - 30
Machinery and technical installations	3 - 25
Vehicles	5 - 12
Furniture and fixtures	3 - 12

When the book values of the tangible fixed assets are higher than their recoverable amount, then the difference (impairment) is recognized directly as an expense in the Income Statement (Note 4.9). Upon sale of tangible assets, the differences between the received consideration and their book value are recognized as profits or losses in the Income Statement.

Interest accrued on loans specifically or generally issued in order to finance the construction of tangible fixed assets is capitalized in the year when tangible assets are incurred when the recognition criteria are met (please refer to Note 4.8).

4.8 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which will require considerable time until the asset is ready for the suggested use or disposal, form part of the acquisition cost of that asset until the asset is ready for the suggested use or disposal. In other cases, the borrowing costs burden profit or loss of the period when incurred.

4.9 Impairment of non-current assets (intangible, goodwill and tangible assets/investments in consolidated companies)

In respect of tangible and intangible fixed assets subject to amortization/depreciation, an impairment test is performed when events or changes in circumstances indicate that their carrying amount may no longer be recoverable. When the net book value of tangible and intangible fixed assets exceeds their recoverable amount, then the excess amount relates to an impairment loss and is recognized directly as an expense in the income statement. Respectively, the non-financial assets that are subject to impairment testing (if indicated) are assets measured at cost of acquisition or equity method (investments in subsidiaries, associates and joint operations). The recoverable amount of investments in subsidiaries and associates is determined in the same way as that in respect of other non-financial assets.

For the purpose of impairment testing, assets are grouped to the lowest level for which cash flows can be separately identified. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and value in use. For the purpose of calculating value in use, Management estimates the future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate to calculate the present value of future cash flows.

An impairment loss is recognized for the amount where the book value of an asset or a Cash Generating Unit. Discounting factors are determined individually for each Cash Generating Unit and reflect the corresponding risk data that has been determined by the Management for each of them.

Further assumptions are made that prevail in the market e.g. the energy market. The period considered by the management exceeds five years, a period that is encouraged by IAS 36, especially as for renewable energy units and the motorway concession companies, even a longer period will be judged to be quite satisfactory.

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Impairment losses of Cash Generating units first reduce the book value of goodwill allocated to them. The residual impairment losses are charged pro rata to the other assets of the particular Cash Generating Unit. With the exception of goodwill, all assets are subsequently reviewed for indications that their previously recognized impairment loss is no longer effective.

Apart from Goodwill, the Group does not possess intangible assets with indefinite useful life that are not amortized.

An impairment loss is reversed if the recoverable amount of a Cash Generating Unit exceeds its book value.

In such a case, the increased book value of the asset will not exceed the book value that would have been determined (net depreciation), if no impairment loss had been recognized, in the asset in previous years.

4.10 Investment Property

Investment property relates to investments in properties which are held (either through acquisitions or through development) by the Group, either to generate rent from its lease or for the increase in its value (increased capital) or for both purposes and are not held: a) to be used for production or distribution of raw materials / services or for administrative purposes; and b) for the sale as part of the company's ordinary activities.

Investment property is initially valued at acquisition cost including transaction expenses. Subsequently, it is measured at fair value. Independent appraisers with adequate experience in the location and in the nature of investment property measure the fair value.

The book value recognized in the Group's Financial Statements reflects the market conditions on the reporting date of the Statement Financial Position. Every profit or loss derived from the fair value revaluations of the investment is recognized in the Income Statement for the period in which it has been recognized. Repairs and maintenance are recognized as expenses in the period in which they are incurred. Significant subsequent expenses are capitalized when they increase the useful life of the property and its production capacity or reduce the operating costs.

Property transfers from investment property to fixed assets take place only when there is a change in the use of the said property, proven by the Group's self-use of the property or commencement of the property development for disposal purposes.

An investment property is derecognized (eliminated from the Statement of Financial Position) when it is sold or when the investment is withdrawn and not expected to generate future economic benefits from its sale. The profits or losses from the withdrawal or sale of investment properties pertain to the difference between the net proceeds from the sale and the book value of the asset and are recognized in the Income Statement for the period in which the asset was sold or withdrawn.

Constructed or developed investment property items are monitored, as well as completed items, at fair value.

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4.11 Inventory

Inventory items include constructed or real estate property items kept for sale, idle mines and quarries materials, building materials, spare parts and raw and auxiliary materials. Inventories are measured at the lower amount between the cost and net realizable value. The cost of raw materials, semi-finished and finished products is determined applying the weighted average cost method.

The cost of finished and semi-finished products includes all the costs incurred in order to bring the products to their current state, condition and processing stage and contains raw materials, labor, general industrial expenses and other costs directly affecting acquisition of materials.

The net realizable value of finished products is their estimated selling price during the Company's normal course of business less the estimated costs for their completion and the estimated necessary costs for their sale.

The net realizable value of raw materials is their estimated replacement cost during the normal course of business.

Appropriate provisions are formed for obsolete inventory, if necessary. Impairment of inventory in net realizable value and other losses from inventory are recognized in profit or loss for the period in which they are incurred.

4.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, sight deposits, term deposits, bank overdrafts and other highly liquid investments that are directly convertible into particular amounts of cash equivalents which are not subject to significant value change risk.

The Group considers term deposits and other highly liquid investments less than three months maturity as cash available, as well as time deposits over three months maturity for which it has the right to early liquidation without loss of capital.

For the purposes of preparing the consolidated Statement of Cash Flows, cash and cash equivalents consist of cash in hand, bank deposits as well as cash equivalents as defined above.

The Group's restricted deposits, irrespective of the nature of their commitment, are not included in the cash and cash equivalents but are classified in the item "Prepayments and other receivables" (please refer to Note 19).

4.13 Financial instruments

4.13.1 Recognition and derecognition

Financial assets and liabilities are recognized in Statement of Financial Position, when and only when the Group becomes counterparty of a financial instrument.

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

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4.13.2 Classification and initial recognition of financial assets

With the exception of trade receivables that do not include a significant finance item and are measured at the transaction price in accordance with IFRS 15, other financial assets are initially measured at fair value by adding the relevant transaction cost except in the case of financial assets measured at fair value through profit or loss.

Financial assets, except those defined as effective hedging instruments, are classified into the following categories:

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

Classification of every asset is defined according to:

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

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

4.13.3 Impairment of financial assets

Financial assets at amortized cost

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

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

Following the initial recognition, these financial assets are measured at amortized cost using the effective interest method. In cases where the discount effect is not significant, the discount is omitted.

The amortized cost measured category includes non-derivative financial assets such as loans and receivables with fixed or pre-determined payments that are not traded on an active market, as well as cash and cash equivalents, trade and other receivables.

Financial assets measured at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for sale or repurchase in the near future. Derivatives, including embedded derivatives, are also classified as held for trading, unless defined as effective hedging instruments.

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Financial assets with cash flows that are not only capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets classified at fair value through total income (equity interests)

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

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

The Group has chosen to classify investments in this category (please refer to Note 21).

4.13.4 Classification and measurement of financial liabilities

The adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets, as it replaced the treatment of IAS 39 for the recognition of realized losses with the recognition of expected credit losses.

Impairment is defined in IFRS 9 as an Expected Credit Loss (ECL), which is the difference between the contractual cash flows attributable to the holder of a particular financial asset and the cash flows expected to be recovered, i.e. cash deficit arising from default events, discounted approximately at the initial effective interest rate of the asset.

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

To facilitate implementation of this approach, a distinction is made among:

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

Trade receivables, other receivables and receivables from contracts with customers

The Group and the Company apply the simplified approach of IFRS 9 to trade and other receivables as well as to receivables from on construction contracts and receivables from leases, estimating the expected credit losses over the life of the above items. In this case, the expected credit losses represent the expected shortfalls in the contractual cash flows, taking into account the possibility of default at any point during the life of the financial instrument. In calculating the expected credit losses, the Group uses a provisioning table by grouping the above financial instruments based on the nature and maturity of the balances and taking into account available historical data in relation to the debtors, adjusted for future factors in relation to the debtors and the economic environment. Further analysis is presented in Note 18 and 19.

4.13.5 Derivative financial instruments and hedge accounting

The Group's financial liabilities include mainly borrowings, suppliers and other liabilities, as well as derivative financial instruments. They include additional financial liabilities recognized in US Wind Farms in the form of equity investments having a substance of financial liabilities for Tax Equity Investments. Financial liabilities are initially recognized at cost, which is the fair value of the consideration received outside borrowing costs. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method, with the exception of derivatives that are subsequently measured at fair value with changes recognized in profit or loss (except derivatives that are hedging instruments, see Note 4.13.6).

Financial liabilities are classified as short-term liabilities unless the Group has the unconditional right to transfer the settlement of the financial liability for at least 12 months after the financial statements reporting date.

In particular:

(i) Loan liabilities

The Group's loan liabilities are initially recognized at cost, which reflects the fair value of the amounts payable minus the relative costs directly attributable to them, where they are significant.

After initial recognition, interest bearing loans are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account issuing expenses and the difference between the initial amount and the maturity. Gains and losses are recognized in profit or loss when the liabilities are derecognized or impaired through the amortization process.

Loan commitments with early repayment option

In the case of bond loans issued by the Group, which are entitled to early repayment, the management assesses whether this option is closely related to the bond loan. The Option is described as directly related when (a) its exercise price resembles the unamortized cost of the bond at each date on which the option can be exercised; or (b) the exercise price of the option compensates the lender with a similar amount with the present value of the unpaid interest on the remaining maturity of the bond loan.

When the option is designated as directly related to the bond loan, it is recognized in combination with the bond as a combined debt instrument, which is measured at amortized cost based on the effective interest rate. In particular, the aforementioned composite instrument is initially recognized at fair value plus any direct transaction costs.

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For the determination of the effective interest rate, the expected cash flows and the estimated duration of the instrument shall be determined taking into account the early repayment right, where:

- If it is initially estimated that the option will be exercised, the estimated cash flows will include capital and interest payments, as at the exercise date, and the exercise price of the option; or
- If the option is not expected to be exercised then the estimated cash flows will include capital and interest payments for the entire contractual period.

In the next year the assessment of the probability of exercising the option may change. This will affect the expected cash flows and the estimated useful life of the financial instrument. The modifications arising from these changes are calculated by discounting the revised flows based on the original effective interest rate and any effect occurring for the net book value is recognized in the income statement of the relevant reporting period.

(ii) Trade and other liabilities

Balance from suppliers and other liabilities is initially recognized at their fair value and subsequently measured at amortized cost using the effective interest method.

Trade and other short-term liabilities are not interest-bearing accounts and are usually settled on the basis of the agreed credits.

(iii) Equity instruments having a substance of financial liabilities

The Group, through TERNA ENERGY Group, has entered into agreements with "Tax Equity Investors" investors in the USA. According to these agreements, the cash flows and tax benefits generated by wind farms are distributed conventionally amongst investors (tax equity investors, hereinafter "TEI") and the Group. Tax benefits include Production Tax Credits (PTCs) and accelerated depreciation.

In fact, based on these figures, TEIs acquire a form of participation in the scheme by paying cash and agreeing on the expected return (estimated internal degree of return) that they will achieve during the period in which wind farms produce these tax benefits. Expected return is calculated based on the total expected benefit that Tax Equity Investors will receive and includes the value of PTCs of distributed taxable income or loss and cash proceeds.

Control and management of these wind farms according to the provisions of IFRS 10 falls within the responsibility of the Group and is fully consolidated in its financial statements using the full consolidation method. The initial investment of TEIs is initially recognized at fair value in the account "Equity instruments having a substance of financial liabilities" and then measured at amortized cost. This financial liability is reduced by the value of tax benefits and tax distributions to Tax Equity Investors, such as these distributions are conventionally defined during the period in which the TEI is to achieve its expected return. The value of accelerated depreciation is recognized as "Amortization of tax benefits" on a pro-rata basis according to the estimated period of the investor's stay in the investment scheme. The value of the "PTCs" transferred to the investor is recognized when they are generated by the project, in return for turnover. The financial liability is increased by a financial expense determined by the balance of liabilities and the effective interest rate resulting from the discounted total cash inflows (TEI initial investment) and expected outflows (distribution of cash flows and tax benefits to the TEI) over the contract duration, as calculated on the date of payment of the initial investment by TEI.

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There are no contractual obligations of the Group, through TERNA ENERGY Group to provide any form of financial assistance in case of financial difficulty or any form of failure to fulfill the obligations of TERNA ENERGY USA Holding Corporation, including contractual obligations to the TEI. The main features of these transactions are as follows:

- Irrespective of the shareholding held by the counterparties, the TERNA ENERGY SA maintains control over the management of wind farms, according to the provisions of IFRS 10, and therefore are fully consolidated in the Group's financial statements under full consolidated method.
- Counterparties receive a significant portion of the profits, tax losses and PTCs generated by wind farms, as well as a part of cash flow, until they achieve a predetermined (at the start of investment) rate of a non-guarantee return.
- Counterparties remain shareholders in wind farms until they have achieved a predetermined return on their investment.
- When the return on the investment of the counterparties reaches the predetermined level, the Group has the option to redeem the counterparty's rights in the return on the investment.
- The return on the investment of the counterparties depends solely on the performance of wind farms. Although the TERNA ENERGY GROUP undertakes to operate these parks in the best possible way and to take all appropriate measures for their smooth operation, it is not obliged to pay cash to the counterparties beyond what is required to achieve the predetermined non-guarantee return on their investment.

After the date when TEI has achieved its contractually agreed performance and if the Group decides not to acquire the rights of TEI, TEI still maintains an insignificant percentage of the wind farm's return for the remaining contractual maturity.

The Group, based on the substance of these transactions, classifies the initial investment of the counterparty as a "financial liability" in the consolidated statement of financial position. The financial liability is measured at net book value using the effective interest method. This obligation shall be reduced by the cash distribution received by TEI and, depending on the terms of the contract and the value of the tax benefits.

4.13.6 Offsetting financial assets and financial liabilities

At the date of the initial application of IFRS 9, all existing hedging relationships of the Group can be classified as continuing and therefore the application of the new Standard has no impact on the financial statements. The Group's risk management policies are in line with the provisions of the new standard and hedge accounting continues to apply.

In the context of risk management, the Group uses:

- derivative financial instruments for the exchange of interest rates to hedge the risks associated with the future fluctuation of variable loan interest rates,
- derivative financial instruments to hedge the risk of change in electricity prices (options, forward contracts for the sale of electricity)
- derivative financial instruments to hedge the risks associated with the future fluctuation of variable income.

These derivative financial instruments are initially recognized at their fair value at the date of the contract and are subsequently measured at their fair value.

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Changes in the fair value of financial derivative instruments are recognized at each reporting date either in the Statement of Comprehensive Income or in other comprehensive income, depending on whether the derivative financial instrument meets the requirements of hedge accounting and, if so, according to the nature of the hedging object.

On the transaction date, the Group records the relationship between the hedging instrument and the hedging item, as well as the risk management objective and hedging transaction strategy. The Group also records both when creating the hedging transaction and then whether the tools used in these changes are effective in offsetting fluctuations in the cash flows of hedging items.

Derivative financial products are measured at fair value at the reporting date and the changes are recognized in profit or loss. The fair value of these derivatives is determined primarily on a market value and is confirmed by the counterparty credit institutions.

Exceptions are derivatives that act as hedging instruments in cash flow hedges, for which special accounting is required. A hedging relationship is appropriate for hedge accounting when all the following criteria are met:

- the hedging relationship includes only eligible hedging instruments and eligible hedged items.
- at the inception of the hedging relationship there is a formal determination and documentation of the hedging relationship and the entity's risk management objective and its hedging strategy. The documentation includes the determination of the hedging instrument, the hedged item, the nature of the hedged risk, and the manner in which the entity will assess whether the hedging relationship meets the effectiveness requirements (including an analysis of the sources of inefficiency of the hedge and how determination of the hedging factor).
- The hedging relationship covers all the following efficiency requirements: (a) there is an financial relationship between the hedged item and the hedging instrument, (b) the effect of the credit risk does not override the changes in value arising from this financial relationship, and (c) , the hedging factor of the hedging relationship is the same resulting from the amount of hedged item actually hedged by the entity and the amount of the hedging instrument the entity actually uses the entity to offset this amount of hedging item.

Future cash flows hedging

The part of changes in fair value that is attributable to effective risk hedging is recognized in equity.

Any gain or loss arising from changes in fair value attributable to non-effective risk hedging is recognized directly in the statement of comprehensive income in the item "Net financial income/(expenses)". Cumulative amounts in equity are recycled through the Statement of Comprehensive Income to the income statement in the periods in which the hedged item affects the result (when the hedged transaction is taking place).

Hedge accountancy is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when the hedge no longer meets the hedge accountancy criteria. The cumulative amount of profit or losses recognized directly in equity until that date remains in the reserve until the hedged item affects the Statement of Comprehensive Income. In the event that a hedged transaction is no longer expected to be realized, the net accumulated profits or losses entered in the reserves are immediately transferred to the Statement of Comprehensive Income.

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4.13.7 Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is shown in the Statement of Financial Position only if there is the present legal right to offset the recognized amounts and intends to clear them on a net basis or to require the asset and settle the liability simultaneously.

4.14 Receivables on Embedded Derivatives

The Group, for the operation of the concession company CENTRAL GREECE MOTORWAY, recognizes a receivable for an embedded derivative within the context of the operation of concessions. Specifically, according to article 25 of the Concession Agreement, as of 1 January 2016, the State has undertaken to provide Operating Support on CENTRAL GREECE MOTORWAY (hereinafter referred to as "E-65") to cover its eligible costs in each Calculation Period, to the extent that these costs are not covered by own revenues. The Calculation Period is defined as each successive six-month period (starting January 1st and July 1st of each year) and the Operating Support for each Calculation Period is the difference between the sum of the eligible project costs and the distributable base performance minus the net revenue of that period. At the latest twenty (20) days before the end of each calculation period, E-65 submits to the State the Support Notice for the same calculation period. Upon the submission of the Support Notification, the Company is entitled in each calculation period to undertake, unconditionally and without limitations, from the Recipient an Account, from the next business day, regarding the payments by the State, and hence, any amount corresponding to the amounts described in the Support Notification up to the amount of the Beneficiary's balance. Payments by the State will be deposited five (5) days before the end of each Calculation Period, as defined in the Concession Agreement.

The Support Notification includes the following three distinct parts: (a) a part corresponding to the eligible project costs; (b) a part corresponding to the distributable base performance; and (c) a part corresponding to the additional interest margin, if applicable. Eligible project costs include, but are not limited to, the following categories: debt servicing account reserve and heavy maintenance movements, operating costs, debt servicing, all of which are deducted from direct income in order to calculate the amount of support. Both the distributable base performance and the additional interest margin are included as additional support amounts. Debt servicing includes, but is not limited to, payments resulting from the six-month clearing of the liabilities of hedging instruments (exchange rate swaps).

In accordance with paragraphs 4.3.1, 4.3.3 and 4.3.4 of IFRS 9, it is determined to be a synthetic component of a hybrid (synthetic) of a financial instrument that also includes a non-derivative master contract resulting in some of the cash flows of the synthetic instrument ranging in the same way as a stand-alone derivative. The embedded derivative affects some or all cash flows that would otherwise have to be adjusted based on a specified interest rate, financial instrument price, commodity price, exchange rate, price or interest rate index or other variables. A derivative that accompanies a financial instrument but which under the contract may be transferred independently of that instrument or that has a different counterparty from that instrument is not an embedded derivative but a separate financial instrument.

An embedded derivative will be separated from the master contract and treated as a derivative (receivable) only if the following conditions are met:

- i. The embedded derivative meets the definition of the derivative,
- ii. the economic characteristics and risks of the embedded derivative are not closely linked to the financial characteristics and risks of the main contract,

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- iii. the hybrid (synthetic) instrument is not measured at fair value through recognition of changes in profit or loss (ie. a derivative embedded in a financial asset or financial liability through profit or loss is not segregated). If an embedded derivative is segregated, the principal contract, if it is a financial instrument, shall be accounted for in accordance with this Standard and other appropriate IASs, if it is not a financial instrument.

The Group has assessed the above requirements of IFRS 9 and has considered the Greek State's contingent liability for Operating Support as a hybrid financial instrument that includes an embedded derivative (the Operating Support Part covering the payments of interest rate swaps) and a non-derivative contract (the remaining part of the Operating Support). It then separates the embedded derivative from the master contract and treats it as a derivative (receivable). See, detailed Note 33 of the financial statements.

4.15 Service concession agreements

Under the terms of the contracts, the operator acts as a service provider. The operator constructs or upgrades an infrastructure (manufacturing or upgrading services) used to provide a service of general interest and deals with the operation and maintenance of that infrastructure (operating services) for a specified period of time.

According to IFRS, such infrastructure is recognized as a financial asset or as an intangible asset, depending on the contractually agreed terms. The Group companies recognize both an intangible asset from the concession and a financial asset (bifurcated model) or recognize a financial asset only.

Intangible Assets

Group companies operating as concessionaires recognize an intangible asset and an income to the extent that they acquire the right to charge the users of utilities. Revenue recognition is based on the integration rate method. Furthermore, the intangible asset is amortized on the basis of the time of the concession and an impairment test, while the revenues from the infrastructure users are recognized on the accrual basis.

For more information on the concession of right, see Note 8.

Financial asset (Financial contribution of the State)

Group companies that act as concessionaires recognize a financial asset as they have an unconditional contractual right to receive cash or other financial asset from the grantor for the construction services.

In the case of concessions, the concessionaire has an unconditional right to receive cash if the concessioner contractually guarantees to pay to the concessionaire:

- (i) specific or fixed amounts, or
- (ii) the deficit which may arise between the amounts received by the users of the public service and the specific or fixed amount provided for in the Concession Agreement.

The Group recognizes the Financial Contribution of the State as a financial asset under the provisions of IFRIC 12 "Agreements for the Grant of a Service Provider".

In particular, the Group recognizes a financial asset receivable and income based on the rate of completion method and the asset is measured at amortized cost less any impairment losses. More information can be found in Note 8.

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4.16 Employee benefits

Short-term benefits: Short-term benefits to personnel (except for termination of employment benefits) in cash and in kind are recognized as an expense when considered accrued. Any unpaid amount is recognized as a liability, whereas in case the amount already paid exceeds the benefits' amount, the entity identifies the excess as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments' reduction or refund.

Retirement Benefits: Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Group's liabilities for retirement benefits cover both defined contribution plans and defined benefit plans. The defined contribution plan's accrued cost is recognized as an expense in the financial year where it relates. Pension plans adopted by the Group are partly financed through payments to insurance companies or state social security funds.

(a) Defined Contribution Plan

Defined contribution plans pertain to contribution payment to Social Security Organizations and therefore, the Group does not have any legal obligation in case the Fund is incapable of paying a pension to the insured person. The employer's obligation is limited to paying the employer's contributions to the Funds. The payable contribution by the Group in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognized as expenses in the income statement.

(b) Defined Benefit Plan (non-funded)

Under Laws 2112/20 and 4093/2012, the Company must pay compensation upon retirement or termination to its employees. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The entitlement to participate in these plans is usually based on years of service of the employee until retirement.

The liability recognized in the Statement of financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserve from payments to an insurance company), the changes deriving from any actuarial profit or loss and the service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. In order to discount the 2019 fiscal year, the selected interest rate follows the trend of European Bonds with a 20-year expiration on December 31, 2019, which is considered consistent with the provisions of IAS 19, i.e. it is based on bonds respectively in terms of currency and estimated term in relation to benefits to employees, as well as appropriate for long-term provisions.

A defined benefit plan establishes, based on various parameters, such as age, years of service and salary, the specific obligations for payable benefits. Provisions for the period are included in the relative staff costs in the accompanying separate and consolidated Income Statements and comprise of the current and past service cost, the relative financial cost, the actuarial gains or losses and any possible additional charges. Regarding unrecognized actuarial gains or losses, the revised IAS 19 is applied, which includes a number of changes to accounting for defined benefit plans, including:

- i) recognition of actuarial gains / losses in other comprehensive income and their permanent exclusion from the Income Statement,
- ii) non-recognition of the expected returns on the plan investment in the Income Statement but recognition of the relative interest on net liability / (asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,

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- iii) recognition of past service cost in the Income Statement at the earliest between the plan modification date or when the relative restructuring or terminal provision are recognized,
- iv) other changes include new disclosures, such as quantitative sensitivity analysis.

(c) Equity settled payments

The Group provides remuneration to its employees in the forms of equity instruments. In particular, such kind of remuneration is based on a stock option approved by the General Meeting of shareholders and includes call options regarding the Company's treasury shares.

These remunerations are settled through disposal of treasury shares by the Company provided that employees meet certain vesting conditions and exercise their options. The total amount of expenses during the vesting period is determined based on fair value of the plan during the period when the options are distributed. Non-market conditions are included in the assumptions for determining the number of options expected to be exercised. In each reporting period, the Group reassesses its estimations for the number of rights to be executed. Subsequently it recognizes the impact of reassessment of initial estimations, if any, in profit and loss statement with proper adjustment in equity.

As at 31.12.2019, no active plan regarding disposal of the Group and the Company shares is effective (see Note 34).

4.17 Leases

Until 2018, leases were classified as finance or operating in accordance with the requirements of IAS 17. Finance leases were capitalized at the commencement of the lease at the lower value that arises between the fair value of the asset and the present value of the minimum lease payments, each of which were identified at the commencement of the lease. Every lease payment was allocated as liability and interest. Operating lease payments were recorded in the income statement on a straight-line basis over the term of the lease.

As of 01/01/2019, under IFRS 16, leases are no longer classified as operating leases and finance leases, and all leases are accounted for as items in the "Statement of Financial Position", through recognition of a "right-of-use asset" a "lease liability".

Recognition and initial measurement of the right-of-use asset

At the lease period commencement date, the Group recognizes a right-of-use asset and a lease liability, measuring the right-of-use asset at cost.

The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability (see below),
- any lease payments made at or before the commencement date, less any lease incentives received,
- the initial direct costs incurred by the lessee, and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

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Initial measurement of the lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the lease commencement date:

1. fixed payments less any lease incentives receivable,
2. any variable lease payments that depend on the future change in index or a rate, initially measured using the index or rate as at the commencement date
3. amounts expected to be payable by the Group under residual value guarantees,
4. the exercise price of a purchase option if the Group is reasonably certain to exercise that option and
5. payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

Subsequent measurement

Subsequent measurement of the right-of-use asset

After the commencement date, the Group shall measure the right-of-use asset applying a cost model.

The Group shall measure the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability.

The Group applies the depreciation requirements in IAS 16 in depreciating the right-of-use asset, which it examines for potential impairment.

Subsequent measurement of the lease liability

After the commencement date, the Group shall measure the lease liability by:

1. increasing the carrying amount to reflect interest on the lease liability,
2. reducing the carrying amount to reflect the lease payments made, and
3. remeasuring the carrying amount to reflect any reassessment or lease modifications.

Financial cost of a lease liability is allocated over the lease term in such a way that it results in a constant periodic rate of interest on the remaining balance of the liability.

After the commencement date, the Group shall recognize in profit or loss, (unless the costs are included in the carrying amount of another asset applying other applicable Standards), both:

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1. financial cost of the lease liability, and
2. variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

The Group as lessor

The Group receives rents from the operating leases of its investment properties. Income from rentals is gradually recognized over the lease term.

Leases according to the provisions of IAS 17 (comparative period 2018)

Finance leases

Finance leases, which essentially transfer to the Group all the risks and returns related to the leased fixed asset, are capitalized during the inception of the lease based on the leased asset's fair value or, if it is lower, on the present value of the minimal leases. Payments for finance leases are allocated between the financial expenses and the reduction of the financing liability, in order to achieve a fixed interest rate on the remaining portion of the liability. The financial expenses are debited directly to the net earnings. Capitalized leased fixed assets are depreciated based on straight line method during the useful life of the asset.

Operating leases

Leases where the lessee maintains all the risks and benefits of owning the asset are recognized as operating lease payments. The operating lease payments are recognized as an expense in the Income Statement on a constant basis during the lease term.

The Group as a lessor

The Group receives rents from the operating leases of its investment property items. Income from rentals is gradually recognized over the lease term.

4.18 Government grants

Government grants related to grants for assets are recognized at fair value when there is reasonable assurance that the grant will be received and that all the relevant conditions attached will be met.

Grants refer to tangible assets, are recognized when there is certainty that the grant will be collected and all relevant prerequisites will be met. These grants are recognized as deferred income, which is recognized in the profits or loss of each reporting period in equal instalments based on the useful life of the granted asset.

Grants relating to expenses are recorded in transit accounts and recognized in the income statement over the period necessary to balance the expenses they are intended to compensate

The Group, concerning the grant for concession contracts of motorways, recognized the total of public financial contribution, approved through the concession agreement, in total as financial asset reducing the value of intangible asset, that had been created through the same concession agreement, and is amortized at the same period and with a way similar to the transfer in profit and loss statement of the book value of the intangible asset.

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4.19 Provisions, contingent Assets and Liabilities

Provisions are recognized when the Group has present legal or imputed liabilities as a result of past events; their settlement is possible through resources' outflow and the exact liability amount can be reliably estimated. The provisions are reviewed on the date of the Financial Statements and are adjusted accordingly to reflect the present value of the expense expected for the settlement of the liability.

When the effect of the time value of money is significant, the provision is calculated as the present value of the expenses expected to be incurred in order to settle this liability.

If it is no longer probable that an outflow will be required in order to settle a liability for which a provision has been formed, then it is reversed.

In cases where the outflow due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognized in the financial statements. Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of an outflow of resources embodying economic benefits is minimal. Potential inflows from economic benefits for the Group which do not meet the criteria of an asset are considered a contingent asset and are disclosed when the inflow of the economic benefits is probable.

Provisions for motorways heavy maintenance

Regarding provisions of the concessions, and, in particular, provision for the obligation to restore or maintain the motorway under the concession, the Group has contractual obligations it has to fulfill as a condition for obtaining the licenses to (a) maintain the infrastructure at a defined level or (b) restore the infrastructure to a defined condition before delivering it to the concessionaire upon termination of the service concession agreement. These contractual obligations that pertain to maintaining or restoring infrastructure are recognized and measured using the best possible estimates of the costs that would be required to settle the present obligation at the financial statements reporting date if obligation for maintenance and restoration arises within the year at the operational stage. Construction or upgrading services are charged to contractual revenue and expenses.

Provisions for rehabilitation of natural landscape

In the restoration of natural landscapes, the Group recognizes the provisions made by the entities mostly of the Group's energy sector for the decommissioning of wind turbines from Wind Farms and the restoration of the surrounding area. Decommissioning and remediation provisions reflect the present value at the reporting date of the estimated cost less the estimated residual value of the recoverable materials. Provisions are reviewed at each reporting date in the Statement of Financial Position and they are adjusted to reflect the present value of the expense that is expected to be disbursed for the disposal of the decommissioning and remediation obligation. The related provision is recognized in an increase in the acquisition cost of wind turbines and is depreciated on a straight-line basis over the 25-year term of the energy contract. The amortization and disposal of the capitalized decommissioning and restoration costs is included in the Statement of Comprehensive Income together with depreciation of Wind Farms. Any changes in estimates with respect to the estimated cost or the discount rate are added or deducted respectively in the cost of the asset. The effect of discounting the estimated cost is recognized in profit or loss as an expense.

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Furthermore, these provisions include certain provisions of the Group's industrial entities in order to cover the costs of rehabilitation of the natural landscape where the power plants and quarry operators are installed at the end of the holding, which lasts 20- 30 years, according to the licenses received from the state.

4.20 Revenue

IFRS 15 established the core principle by applying the following steps for identifying revenue from contracts with customers:

1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when (or as) the entity satisfies a performance obligation

Revenue is recognized at the amount by which an entity expects to have in exchange for the transfer of the goods or services to a counterparty. When awarding a contract, account shall be taken of the additional costs and the direct costs required to complete the contract.

Income is defined as the amount that an entity expects to be entitled to in exchange for the goods or services it has transferred to a customer. If the promised consideration in a contract includes a variable amount, the entity estimates the consideration amount that would be entitled to the transfer of the promised goods or services to customer. The consideration amount may vary due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, penalties, or other similar items. Promising consideration may also change if the entity's entitlement to the consideration depends on the occurrence or non-occurrence of a future event. For example, a consideration amount will be variable if the product has been sold with a refund or if a fixed amount promise has been given as an additional performance benefit to achieve a specific milestone.

The volatility associated with the consideration promised by a customer may be expressly stated in the contract. An entity shall measure the amount of the variable consideration using one of the following methods, whichever method it considers best suited to the amount of consideration to which it will be entitled to:

(a) Estimated value - the estimated value is equal to the sum of the probability-weighted amounts in a range of possible consideration amounts. Estimated value is an appropriate estimate of the variable amount if the entity has a large number of contracts with similar characteristics.

(b) Potential amount - the most probable amount is the only most probable amount in a range of possible consideration amounts (i.e., the only likely outcome of the contract). The most probable amount is an appropriate estimate of the variable amount if the contract has only two possible outcomes (for example, the entity provides additional performance or not).

The Group and the Company recognize income when it satisfies the performance of the contractual obligation by transferring the goods or services on the basis of this obligation.

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Acquisition of control by the client occurs when it has the ability to direct the use and to derive virtually all the economic benefits from this good or service. Control is passed over a period or at a specific time. Revenue from the sale of goods is recognized when the goods are transferred to the customer, usually upon delivery to the customer, and there is no obligation that could affect the acceptance of the goods by the customer.

Commitments for implementation performed over time

The Group recognizes revenue for a performance obligation that is performed over time only if it can reasonably measure its performance in full compliance with the obligation. The Group is not in a position to reasonably measure progress in meeting a performance obligation when it does not have the reliable information required to apply the appropriate method of measuring progress. In some cases (eg during the initial stages of a contract), the entity may not be able to reasonably measure the outcome of a performance obligation, but at least expects to recover the costs incurred to meet it.

In such cases, an entity shall recognize revenue only on the extent of the cost incurred until it is able to reasonably measure the outcome of the execution obligation.

Income from of services is recognized in the accounting period in which the services are provided and measured according to the nature of the services to be provided. The receivable from client is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the client.

A conventional asset is recognized when the Group or the Company has satisfied its liabilities to the counterparty before it pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the right of the Group or the Company to issue an invoice. The contractual obligation is recognized when the Group or the Company receives a consideration from the counterparty as an advance or when it reserves the right to a price, which is postponed before the performance of the contractual obligations and the transfer of the goods or services. The contractual obligation is derecognized when the contract obligations are met and the income is recorded in the income statement.

Commitments for implementation performed at a specific time

When an implementation commitment is not met over time (as outlined above), then the entity enforces the implementation commitment at a particular time. In determining when the client acquires control of a promising asset and the entity performs an implementation commitment, the entity examines the requirements for the acquisition control, as analytically recorded in IFRS 15.

The main categories of income recognized from implementation commitments fulfilled over time for the Group are as follows:

- (i) Revenue from contracts with customers related to construction operations

It relates to revenue from contracts with customers and results from implementation commitments that are fulfilled over time. Subsidiaries and joint ventures engaged in the implementation of constructions recognize revenue from construction contracts in their tax records on the basis of customer invoices resulting from relevant sectional project implementation certifications issued by accredited engineers and responsive to the work carried out until the closing date. For the purpose of complying with IFRS, the proceeds from the construction activity are accounted for in the accompanying financial statements progressively during construction, based on the input method of measurement in accordance with the provisions of IFRS 15 "Revenue from Contracts with Customers".

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The input method recognizes revenue based on the entity's efforts or inflows towards fulfilling an implementation commitment (for example, the resources consumed, the hours worked, the costs incurred the time spent or the hours of operation of the machines consumed) in relation to the total expected inputs to fulfil this implementation commitment.

(ii) Sale of goods

Revenue from the sale of goods, after deduction of sales discounts, sales incentives and related VAT are recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer.

(iii) Income from car stations

It relates to revenue from contracts with clients and results from execution commitments that are fulfilled over time. This revenue comes from the concessions for the operation of car stations. Receipts are recognized as revenue.

(iv) Revenue from sale of Electric Energy

It relates to revenue from contracts with customers and results from implementation commitments that are fulfilled over time. Revenues from the Sale of Electric Energy are accounted for in their intended use. In the preparation of the financial statements, revenues accrued unbilled, revenues from electricity purchased by LAGIE or another client not yet priced are considered. In addition, the expected collections from energy production under energy sales contracts that, according to IFRIC 4, include lease receivables are recognized in income on a straight-line basis over the life of the contract to the extent that those receivables relate to the lease. An energy sales contract is considered to contain lease terms when it concerns all the energy produced by a specific plant in the Group and the unit price per unit is neither stable over the lifetime of the contract nor represents the market price at the date production.

For wind farms operating in the USA and selling electricity to specific US energy markets (ERCOT) at spot prices, revenue from the sale of electricity is recognized on the basis of the amount of electricity delivered at market prices for transactions on where all the revenue recognition criteria are met. In order to reduce its exposure to changes in energy prices in these markets. The Group, in order to reduce its exposure to changes in energy prices in these markets, uses the derivative instruments described in Note 4.13.6 above.

The proceeds from the liquidation of these derivatives are included in the proceeds from the sale of electricity. For derivatives that do not meet the cash flow hedge accounting criteria but which are nonetheless used to reduce exposure to the risk of a change in earnings, the Turnover also includes unrealized gains/losses from valuation.

Renewable Energy Credits ("RECs") and/or Green Certificates form an economic benefit achieved through the operation of a wind farm. RECs are generated by the wind power generation of wind farms and can be sold either through REC's organized markets or directly to individual buyers under contracts. RECs held for sale are generally classified as inventories that are recognized at fair value. Revenue from the sale of RECs is recognized in the Turnover.

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(v) Revenue from tax benefits

The value of tax benefits is recognized in the income statement. The value of tax losses attributable to Tax Equity Investor is recognized in other income of FY, on proportional basis in compliance with the estimated period, during which the investor remains in the investment scheme, while the value of Production Tax Credits (PTCs) associated with its annual energy production wind farm is recognized for each use on the basis of actual production for the benefit of turnover.

(vi) Revenue from Motorways Concession Arrangements

Revenue is classified into two sub-categories, i.e.: (a) Revenue from construction of concession projects; and (b) Revenue from exploitation of concession projects.

According to the concession arrangements, the Group's companies have undertaken research, construction, financing, operation, maintenance and exploitation of the projects "Ionia Odos Motorway from Antirio to Ioannina, PATHE Athens (Metamorfofis Motorway) - Maliakos (Skarfia) PATHE Schimatari - Chalkida "and " Central Greece Motorway (E65) "

Under IFRIC 12 "Service Concession Arrangements", revenue from construction arrangements is recognized in accordance with the impute method of measurement as defined in IFRS 15 and analyzed in (i) above.

Revenue from exploitation of concession arrangements is recognized on the basis of intangible asset and financial asset model and applies to:

a. Revenue from toll collection through manual or electronic toll payment systems; and

(b) Revenue from rental of Car Service Stations (SEA) or other premises.

As defined in Note 15, under the intangible asset model, the Group recognizes revenue to the extent it acquires the right to charge the users of utilities. The Group recognizes the amount received or receivable option on the part of the operator at its fair value, which is considered to be the payments received from the infrastructure users, based on the accrual principle.

The relevant concession arrangements include all rights and obligations in relation to the infrastructure and rendered services.

(vii) Revenue form construction and disposal of real estate

The revenue in question orexins to revenue from contracts with clients and arises from implementation commitments settled over time. The Group's real estate property items under construction are recorded as inventory. From the amount of the performed sales, supported by a statutory document or a notarial sales agreement (as the relevant risks under the Company's guarantee liabilities are covered by insurance), the consideration attributable to the respective cost incurred by the end of the same year regarding the relative constriction of the sold building or part thereof, is recognized in every year revenue, based on the percent of completion method

(viii) Income from rentals

The income in question pertains to revenue from contracts with customers and arises from implementation commitments that are fulfilled over time. Rental income (operating leases) is recognized using the straight-line method according to the terms of the lease.

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(ix) Dividends

Dividends are accounted for when the right to collect them is finalized, it is possible that the financial benefits associated with the transaction will flow to the entity and the amount of revenue can be calculated reliably.

(x) Interest

Interest income is recognized on an accrual basis.

(xi) Revenue from other PPP concession agreements

At the construction stage, revenue is recognized based on the integration rate, in accordance with the Group's accounting policy for recognizing revenue from construction contracts.

During the operating phase, the revenue is recognized in the period in which the related services are provided by the Group. In the case that a concession agreement includes revenue for more than one service, the consideration is allocated to the different services based on the relative fair values of the services provided.

4.21 Income tax

Income taxes charges for the year consists of current taxes, deferred taxes and tax differences from previous years.

Current Tax

The current and taxes are calculated based on the Financial Statements of each of the companies included in the consolidated Financial Statements, according to the tax regulation effective in Greece or other tax frameworks under which the foreign subsidiaries operate. The expenses for current Income tax is calculated based on the earnings of each company as such are reformed on the companies' tax reports and provisions for additional income taxes and is calculated in accordance with statutory or substantially institutionalized tax rates.

Deferred Tax

Deferred taxes are taxes or tax relief that are related to the financial burdens or benefits accruing in the year but have already been accounted for or will be accounted for by the tax authorities in different FYs.

Deferred income tax is determined using the liability method that results from the temporary differences between the carrying amount and the tax base of the assets and liabilities. Deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, when the transaction took place, did not affect either the accounting or the tax profit or loss.

Deferred income taxes are measured using the liability method in all temporary differences at the date of the financial statements between the tax base and the carrying amount of assets and liabilities. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are measured at each reporting date and are reduced to the extent that it is unlikely that there will be sufficient taxable profits against which part or all of the deferred income tax assets may be used.

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Deferred tax assets and obligations are measured at the tax rates that are expected to be in force for the year in which the asset is incurred or the liability will be settled and are based on the tax rates (and tax laws) that are in effect or effectively in force at the date of reporting of the financial statements. In the event that the temporary reversal of temporary differences cannot be clearly identified, the tax rate applicable on the next day of the statement of financial position is used.

Income tax related to items that are recognized in other comprehensive income is also recognized in other comprehensive income.

4.22 Earnings per share

Basic earnings per share are calculated by dividing net earnings by the weighted average number of ordinary shares outstanding during the period, excluding the average number of the ordinary shares acquired by the Group as treasury shares.

Earnings per share are measured by dividing the net profit attributable to shareholders by the weighted average number of shares outstanding during the year.

4.23 Share capital, reserves and distribution of dividends

Common registered share are recorded as equity. Costs, directly attributable to a component of equity net of tax effect, are monitored as a deduction to the Balance of Retained Earnings in equity. Otherwise, this amount is recognized as an expense in the period in question.

In cases when the Company or its subsidiaries acquire part of the Company's share capital (treasury shares), the amount paid, including any expense, net of tax, is deducted from equity until the shares are derecognized or sold. The number of treasury shares held by the Company does not reduce the number of shares in circulation but affects the number of shares included in the calculation of earnings per share. Treasury shares held by the Company do not incorporate a right to receive a dividend.

At 31.12.2019 the Group held a total of 6.111.576 treasury shares (see Note 35).

In particular, the reserves are divided into:

Statutory reserves

In compliance with the Greek Commercial Law, companies shall transfer at least 5% of their annual net profits to a statutory reserve until such reserve equals 1/3 of the paid-up share capital. This reserve cannot be distributed during the Company's operations.

Development and tax legislation reserves

These reserves refer to profits not taxed at the applicable tax rate in accordance with the applicable tax framework in Greece and include reserves arising from taxable profits and pertaining to the company's participation in development laws. These reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their conversion into equity under certain circumstances.

Cash flows risk hedging reserves

The risk hedge reserve is used to record profits or losses on derivative financial products, which can be classified as future cash flow hedges and are recognized in other comprehensive income.

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Foreign currency translation differences from incorporation of foreign operations

Foreign exchange differences arising on foreign currency translation are recognized in other comprehensive income and accumulated in other reserves. The cumulative amount is transferred to the income statement of the year when the amounts were transferred.

Treasury shares reserves

The Company has proceeded with successive acquisitions of treasury shares through implementing the approved share buy-back plan in accordance with article 49, L 4548/2018. The total value of these acquisitions is presented in reserves as a deduction from Equity.

Other reserves

Other reserves mainly include actuarial losses of pension schemes.

The category of other reserves comprises:

- (1) Actuarial gains/(losses) from defined benefit pension schemes arising from (a) actual adjustments (the effect of differences between previous actuarial assumptions and those eventually occurring) and (b) changes in actuarial assumptions.
- (2) Changes in fair value of investments classified as equity investments.

Dividends distributed to the Company's shareholders are recognized in the financial statements as a liability in the period in which the distribution proposal of the Management is approved by the Annual General Meeting of the Shareholders.

Also, at the same time, the financial statements reflect the effect of the disposal of the results approved by the General Meeting and the possible formation of reserves.

5. GROUP AND COMPANY STRUCTURE

The following tables present the participating interests of the parent company GEK TERNA SA, direct and indirect, in the economic entities during 31.12.2019, which were included in the consolidation or incorporated as joint operations. In cases of indirect consolidation, the subsidiary, in which the participating interest is consolidated, is presented.

5.1 Company Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT - JOINT VENTURES							
ALTE ATE - TERNA SA GP	Greece	50,00	0,00	50,00	Proportional consolidation	-	2014-2019
J/V GEK TERNA - TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50,00	50,00	100,00	Proportional consolidation	TERNA ENERGY SA	2015-2019

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5.2 Group Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI- CIPATION %	INDIRECT PARTI- CIPATION %	TOTAL PARTI- CIPATION %	CONSOLI- DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT – SUBSIDIARIES							
TERNA SA	Greece	100,00	0,00	100,00	Full	-	2013-2019
J/V EUROIONIA	Greece	0,00	100,00	100,00	Full	TERNA SA	2014-2019
J/V CENTRAL GREECE MOTORWAY E-65	Greece	0,00	100,00	100,00	Full	TERNA SA	2014-2019
J/V HELLAS TOLLS	Greece	100,00	0,00	100,00	Full	-	2014-2019
ILIOHORA SA	Greece	70,55	29,45	100,00	Full	TERNA SA	2014-2019
GEK SERVICES SA	Greece	100,00	0,00	100,00	Full	-	2014-2019
TERNA OVERSEAS LTD	Cyprus	0,00	100,00	100,00	Full	TERNA SA	2013-2019
TERNA QATAR LLC *	Qatar	0,00	35,00	35,00	Full	TERNA SA	2013-2019
TERNA BAHRAIN HOLDING WLL	Bahrain	0,00	99,99	99,99	Full	TERNA SA	-
TERNA CONTRACTING CO WLL	Bahrain	0,00	100,00	100,00	Full	TERNA SA	-
TERNA VENTURES WLL	Bahrain	0,00	100,00	100,00	Full	TERNA SA	-
TERNA SAUDI ARABIA LTD	Saudi Arabia	0,00	60,00	60,00	Full	TERNA SA	-
J/V GEK TERNA - TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50,00	50,00	100,00	Full	TERNA ENERGY SA	2015-2019
AEROZEPHIROS LTD	Cyprus	0,00	100,00	100,00	Full	TERNA SA	2019
CONSTRUCTIONS SEGMENT - JOINT VENTURES							
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	0,00	37,50	37,50	Proportional consolidation	ILIOHORA SA	2014-2019
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece	0,00	66,00	66,00	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA - IMPEGILOSPA (TRAM)	Greece	0,00	55,00	55,00	Proportional consolidation	TERNA SA	2014-2019
J/V ALPINE MAYREDER BAU GmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA AE - WAYSS (PERISTERI METRO)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	0,00	35,00	35,00	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA - PANTECHNIKI (OAKA SUR. AREAS)	Greece	0,00	83,50	83,50	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	0,00	65,00	65,00	Proportional consolidation	TERNA SA	2014-2019
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (PARADEISIA TSAKONA)	Greece	0,00	49,00	49,00	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI- TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece	0,00	25,00	25,00	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece	0,00	37,40	37,40	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA SA-AKTOR ATE J&P AVAX-TREIS GEFYRES	Greece	0,00	33,33	33,33	Proportional consolidation	TERNA SA	2014-2019
J/V METKA-TERNA	Greece	0,00	90,00	90,00	Proportional consolidation	TERNA SA	2014-2019
J/V APION KLEOS	Greece	0,00	17,00	17,00	Proportional consolidation	TERNA SA	2014-2019

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J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece	0,00	33,33	33,33	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR-TERNA (PATHE at Stylida road)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR-TERNA (Patras Port)	Greece	0,00	70,00	70,00	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	0,00	33,33	33,33	Proportional consolidation	TERNA SA	2014-2019
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	0,00	49,00	49,00	Proportional consolidation	TERNA SA	2015-2019
J/V AKTOR ATE - TERNA SA (Lignite works)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR ATE - TERNA SA (Thriasio B')	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR SA - J&P AVAX - TERNA SA (Tithorea Domokos)	Greece	0,00	33,33	33,33	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR SA - J&P AVAX - TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece	0,00	44,56	44,56	Proportional consolidation	TERNA SA	2014-2019
J/V AKTOR SA - TERNA SA (Thriasio B' ERGOSE)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2015-2019
J/V AKTOR - TERNA (Joint Venture ERGOSE No. 751)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2015-2019
J/V TERNA GCC WAC	Qatar	0,00	30,00	30,00	Proportional consolidation	TERNA SA	2016-2019
J/V TERNA-AI OMAIER	Saudi Arabia	0,00	60,00	60,00	Proportional consolidation	TERNA SA	-
J/V TERNA-CGCE (AMAS 1)	Bahrain	0,00	50,00	50,00	Proportional consolidation	TERNA SA	-
J/V RENCO TERNA (Construction of compression Station of TAP in Greece and in Albania)	Greece	0,00	50,00	50,00	Proportional consolidation	TERNA SA	2016-2019
J/V J&P AVAX SA-TERNA SA-AKTOR ATE-INTRAKAT (Mosque)	Greece	0,00	25,00	25,00	Proportional consolidation	TERNA SA	2016-2019
J/V TERNA - CGCE (AMAS 2)	Bahrain	0,00	50,00	50,00	Proportional consolidation	TERNA SA	-
J/V TERNA-CGCE JOINT VENTURE (AMAS 3)	Bahrain	0,00	50,00	50,00	Proportional consolidation	TERNA SA	-
J/V VINCI TERNA DOO	Serbia	0,00	49,00	49,00	Proportional consolidation	TERNA SA	2018-2019
J/V AVAX-TERNA (MEDITERRANEAN CITY OF DREAMS)	Cyprus	0,00	40,00	40,00	Proportional consolidation	TERNA SA	2019
RES ENERGY SEGMENT - SUBSIDIARIES							
TERNA ENERGY SA*	Greece	38,49	0,00	38,49	Full	-	2014-2019
IWECO HONOS LASITHIOU CRETE SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGIAKI SERVOUNIOU SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY EVROU SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
PPC RENEWABLES - TERNA ENERGY SA	Greece	0,00	19,63	19,63	Full	TERNA ENERGY SA	2014-2019
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGIAKI DERVENOCHORION S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
AIOLIKI MALEA LAKONIAS S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGIAKI FERRON EVROU S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGIAKI PELOPONNISOUS S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019

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AIOLIKI ILIOKASTROU S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
EUROWIND S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGEIAKI XIROVOUNIOU S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
DELTA AXIOU ENERGEIAKI S.A.	Greece	0,00	25,40	25,40	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SEA WIND PARKS S.A.	Greece	0,00	29,63	29,63	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	0,00	29,63	29,63	Full	TERNA ENERGY SA	2014-2019
VATHICHORI ENVIRONMENTAL S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
CHRISOUPOLI ENERGY Ltd	Greece	0,00	30,79	30,79	Full	TERNA ENERGY SA	2014-2019
DIRFIS ENERGY SA	Greece	0,00	19,63	19,63	Full	TERNA ENERGY SA	2014-2019
MALESINA ENERGY SA	Greece	0,00	30,79	30,79	Full	TERNA ENERGY SA	2014-2019
ORCHOMENOS ENERGY Ltd	Greece	0,00	30,79	30,79	Full	TERNA ENERGY SA	2014-2019
ALISTRATI ENERGY Ltd	Greece	0,00	30,79	30,79	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY AI-GIORGIS SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA AIOLIKI AMARINTHOU SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA AIOLIKI AITOLOAKARNANIAS SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ILIAKI VIOTIAS SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
VATHICHORI TWO ENERGY S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA AIOLIKI XEROVOUNIOU SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
AIOLIKI CENTRAL GREECE S.A''	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ILIAKI PANORAMATOS SA.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
AIOLIKI KARSTIAS EVOIA S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
GEOtherMIKI ENERGY ANAPTYXIAXI S.A.	Greece	0,00	19,24	19,24	Full	TERNA ENERGY SA	2014-2019
TERNA ILIAKI PELLOPONISSOU SA.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
EOLOS POLSKA sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
HAOS INVEST 1 EAD	Bulgaria	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
VALE PLUS LTD	Cyprus	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
COLD SPRINGS WINDFARM LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
DESERT MEADOW WINDFARM LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
HAMMETTHILL WINDFARM LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
MAINLINE WINDFARM LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
RYEGRASS WINDFARM. LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
TWO PONDS WINDFARM. LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
MOUNTAIN AIR WIND. LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
EOLOS NORTH sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
EOLOS EAST sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
AIOLIKI PASTRA ATTICA S.A.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
JP GREEN sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2015-2019
WIRON sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2015-2019
BALLADYNA sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2015-2019
TERNA ENERGY SA & Co AIOLIKI POLYKASTROU G.P.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGIAXI DYSTION EVIAS SA **	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SA & CO ENERGEIAKI ARI SAPPON G.P.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019

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AIOLIKI EASTERN GREECE SA **	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
AIOLIKI MARMARIOU EVIAS SA**	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SA & CO ENERGIAKI PETRION EVIAS G.P.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
ENERGIAKI STYRON EVIAS SA**	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SA & SIA PROVATA TRAIANOUPPOULEOS	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY SA & VECTOR GREECE WIND PARKS - TROULOS WIND PARK G.P.	Greece	0,00	34,64	34,64	Full	TERNA ENERGY SA	2014-2019
MOUNTAIN AIR PROJECTS LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
MOUNTAIN AIR INVESTMENTS LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
MOUNTAIN AIR ALTERNATIVES LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
MOUNTAIN AIR RESOURCES LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
MOUNTAIN AIR HOLDINGS LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
FLUVANNA WIND ENERGY LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2015-2019
FLUVANNA HOLDINGS LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2016-2019
FLUVANNA INVESTMENTS LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2016-2019
TERNA DEN LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2016-2019
TERNA RENEWABLE ENERGY PROJECTS LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2016-2019
AEGIS LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
MOHAVE VALLEY ENERGY LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2016-2019
TERNA HOLDCO INC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2016-2019
FLUVANNA I INVESTOR, INC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2018-2019
FLUVANNA I HOLDING COMPANY, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2018-2019
FLUVANNA HOLDINGS 2, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2018-2019
FLUVANNA HOLDINGS 2, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2018-2019
FLUVANNA WIND ENERGY 2, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2018-2019
CI-II BEARKAT QPPF, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2019
CI-II BEARKAT HOLDING B, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2019
SPONSOR BEARKAT I HOLDCO, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2019
BEARKAT I TE PARTNERSHIP, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2019
BEARKAT WIND ENERGY I, LLC	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2019
RES ENERGY SEGMENT - JOINT VENTURES							
EN.ER.MEL S.A.	Greece	0,00	19,24	19,24	Equity	TERNA ENERGY SA	2014-2019
OPTIMUS ENERGY SA	Greece	0,00	19,63	19,63	Equity	TERNA ENERGY SA	2017-2019
RES ENERGY SEGMENT - ASSOCIATES							
CYCLADES RES ENERGY CENTER SA	Greece	0,00	17,32	17,32	Equity	TERNA ENERGY SA	2014-2019
ARMONIA ENERGY SOCIETY	Greece	0,00	4,81	4,81	Equity	TERNA ENERGY SA	2019
AMALTHEIA ENERGY SOCIETY	Greece	0,00	5,50	5,50	Equity	TERNA ENERGY SA	2019
ELECTRIC ENERGY TRADING SEGMENT - SUBSIDIARIES							
TERNA ENERGY TRADING EOOD	Bulgaria	0,00	19,63	19,63	Full	TERNA ENERGY SA	2014-2019
TERNA ENERGY TRADING DOOEL SKOPJE	FYROM	0,00	19,63	19,63	Full	TERNA ENERGY SA	2015-2019

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TERNA ENERGY TRADING D.O.O BEOGRAD	Serbia	0,00	19,63	19,63	Full	TERNA ENERGY SA	2015-2019
TERNA ENERGY TRADING SHPK	Albania	0,00	19,63	19,63	Full	TERNA ENERGY SA	2018-2019
THERMAL ENERGY SEGMENT - JOINT VENTURES							
HERON THERMOELECTRIC S.A.	Greece	50,00	0,00	50,00	Equity	-	2014-2019
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	0,00	25,00	25,00	Equity	TERNA SA	2014-2019
REAL ESTATE SEGMENT - SUBSIDIARIES							
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	78,19	0,00	78,19	Full	-	2014-2019
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100,00	0,00	100,00	Full	-	2014-2019
VIPA THESSALONIKI S.A.	Greece	100,00	0,00	100,00	Full	-	2014-2019
ICON EOOD	Bulgaria	83,62	16,38	100,00	Full	TERNA SA	2014-2019
ICON BOROVEC EOOD	Bulgaria	0,00	100,00	100,00	Full	ICON EOOD	2014-2019
DOMUS DEVELOPMENT EOOD	Bulgaria	0,00	100,00	100,00	Full	ICON EOOD	2014-2019
SC GEK ROM SRL	Romania	0,00	100,00	100,00	Full	ICON EOOD	2014-2019
HERMES DEVELOPMENT SRL	Romania	0,00	100,00	100,00	Full	ICON EOOD	2014-2019
HIGHLIGHT SRL	Romania	0,00	100,00	100,00	Full	ICON EOOD	2014-2019
MANTOUDI BUSINESS PARK S.A.	Greece	0,00	100,00	100,00	Full	ICON EOOD	2014-2019
AVLAKI I BV	Netherland	100,00	0,00	100,00	Full	-	2018-2019
AVLAKI I BV	Netherland	100,00	0,00	100,00	Full	-	2018-2019
AVLAKI I BV	Netherland	100,00	0,00	100,00	Full	-	2018-2019
AVLAKI I BV	Netherland	100,00	0,00	100,00	Full	-	2018-2019
KASSIOPI BV	Netherland	100,00	0,00	100,00	Full	-	2018-2019
REAL ESTATE SEGMENT - JOINT VENTURES AND ASSOCIATES							
KEKROPS S.A.	Greece	37,48	0,00	37,48	Equity	-	2014-2019
GEKA S.A.	Greece	0,00	33,34	33,34	Equity	TERNA SA	2014-2019
CONCESSIONS SEGMENT - SUBSIDIARIES							
HIRON CONCESSIONS S.A.	Greece	99,47	0,53	100,00	Full	TERNA SA	2014-2019
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	82,81	17,19	100,00	Full	ILIOHORA SA	2014-2019
PARKING STATION SAROKOU SQUARE CORFU S.A.	Greece	83,67	16,33	100,00	Full	ILIOHORA SA	2014-2019
HELLAS SMARTICKET S.A.	Greece	35,00	13,47	48,47	Full	TERNA ENERGY SA	2014-2019
WASTE CYCLO S.A.	Greece	0,00	19,63	19,63	Full	TERNA ENERGY SA	2014-2019
PERIVALLONTIKI PELOPONNISOUS MAE	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2015-2019
IFORIKI IPIROU MAEES	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2017-2019
NEA ODOS SA	Greece	100,00	0,00	100,00	Full	-	2014-2019
CENTRAL GREECE MOTORWAY S.A.	Greece	100,00	0,00	100,00	Full	-	2014-2019
CONCESSIONS SEGMENT - JOINT VENTURES							
PARKING OUIL SA	Greece	50,00	0,00	50,00	Equity	-	2014-2019
ATHENS CAR PARK S.A.	Greece	25,32	0,00	25,32	Equity	-	2014-2019
THESSALONIKI CAR PARK S.A.	Greece	24,70	0,00	24,70	Equity	-	2014-2019
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	36,17	0,00	36,17	Equity	-	2014-2019
POLIS PARK SA	Greece	28,76	0,00	28,76	Equity	-	2014-2019
SMYRNI PARK S.A.	Greece	20,00	0,00	20,00	Equity	-	2014-2019
HELLINIKON ENTERTAINMENT AND ATHLETIC PARKS S.A.	Greece	31,63	0,00	31,63	Equity	-	2014-2019

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METROPOLITAN ATHENS PARK SA	Greece	22,91	0,00	22,91	Equity	-	2014-2019
INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.	Greece	0,00	60,00	60,00	Equity	TERNA SA	-
INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES							
VIOMEK ABETE	Greece	67,52	29,07	96,59	Full	TERNA SA	2014-2019
STROTIREA AEBE	Greece	51,00	0,00	51,00	Full	-	2014-2019
TERNA MAG SA	Greece	51,02	48,98	100,00	Full	TERNA SA	2014-2019
EUROPEAN AGENCIES OF METALS SA	Greece	0,00	100,00	100,00	Full	TERNA SA	2014-2019
VRONDIS QUARRY PRODUCTS SA	Greece	0,00	100,00	100,00	Full	TERNA SA	2014-2019
CEMENT PRODUCTION AND EXPORT FZC	Libya	0,00	75,00	75,00	Full	TERNA SA	-
MALCEM CONSTRUCTION MATERIALS LTD	Malta	0,00	75,00	75,00	Full	TERNA SA	2013-2019
SEGMENT OF HOLDINGS - SUBSIDIARIES							
QE ENERGY EUROPE LTD	Cyprus	0,00	100,00	100,00	Full	TERNA SA	2013-2019
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	0,00	38,49	38,49	Full	TERNA ENERGY SA	2011-2019
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	0,00	38,49	38,49	Full	TERNA ENERGY SA	2013-2019
TERNA ENERGY TRADING LTD	Cyprus	0,00	19,63	19,63	Full	TERNA ENERGY SA	2015-2019
TERNA ENERGY FINANCING SA	Greece	0,00	38,49	38,49	Full	TERNA ENERGY SA	2016-2019
GALLETTE LTD	Cyprus	0,00	38,49	38,49	Full	TERNA ENERGY SA	2013-2019
TERNA ENERGY OVERSEAS LTD	Cyprus	0,00	38,49	38,49	Full	TERNA ENERGY SA	2012-2019

The following table presents the joint ventures for the construction of technical projects, in which the Group participates. These joint ventures have already concluded the projects they were established for, their guarantee period has expired, their relations with third parties have been settled and their final liquidation is pending. Therefore, they are not included in the consolidated financial statements.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V EVINOUS-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%
J/V MAIN ARROGATION CANAL D 1	75.00%
J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	20.00%
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	50.00%
J/V DEPA PROJECT	10.00%
J/V ARTA-FILIPPIADA BY-PASS	98.00%
J/V FRAGMATOS PRAMORITSA	33.33%
J/V VIOTER SA – TERNA SA	50.00%
J/V TERNA SA – AKTOR SA – EBEDOS SA – J&P AVAX SA - IMEC GmbH	24.00%
J/V J&P AVAX SA – TERNA SA – EFKLEIDIS	35.00%
J/V J&P AVAX-VIOTER-TERNA (OLYMPIC VILLAGE CONSTRUCTION)	37.50%
J/V TERNA-MOCHLOS-AKTOR TUNNEL KIATO-AIGIO	35.00%
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	33.33%
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (PARAD. TSAKONA RING ROAD)	49.00%
J/V TERNA SA-NEON STAR SA-RAMA (OPAP 1)	51.00%
J/V AEGEK-TERNA (SIATISTA – KRYSTALLOPIGI CONNECTION)	45.00%
J/V EBEDOS-PANTECHNIKI-ENERGY	50.10%
J/V TERNA-AI OMAIER	60.00%
TERNA ENERGY AVETE & SIA LP	26.94%

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During the year 2019, the following joint entities were liquidated: (those companies were not consolidated):

COMPANY NAME	TOTAL PARTICIPATION %
J/V EUROPEAN TECHNICAL-HOMER-TERNA	50,00%
J/V AKTOR TERNA (BANQUET HALL)	50,00%
J/V J&P AVAX-VIOTER-TERNA (CANOE KAYAK)	33,33%

Moreover, given that the consolidation has nullified the value of the associate, presented below, it has no effect on the Group's financial sizes.

CONSTRUCTION – ASSOCIATES OPERATING SEGMENT	DOMICILE	% DIRECT PARTICIPATION	% INDIRECT PARTICIPATION	TOTAL PARTICIPATION %	CONSOLIDATION METHOD
ATTIKAT ATE	Greece	22,15	0	22,15	Equity

In addition, within the year 2019 the following companies and joint entities were liquidated. Those companies until the date of liquidation were consolidated, however without any significant impact on the Group's financial sizes.

COMPANY NAME	TOTAL PARTICIPATION %
J/V ATHANASIADIS - TERNA (THESSAL. CAR PARK.)	50,00%
J/V ILIOCHORA-KASTAT CONSTRUCTIONS (Koumpila-Louloudi project)	70,00%
J/V THALES ATM SA-TERNA IMPROVEMENTS OF TACAN STATIONS	50,00%
GLS EOOD	50,00%
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall H/M)	37,00%
J/V TERNA S.A. - AKTOR A.T.E.- J&P AVAX (Concert Hall Costruct.)	69,00%
J/V TOMI SA – ILIOCHORA SA	30,00%
TERNA ENERGY UK PLC	38,49%

Within the year 2019, the following companies were established:

- J/V AVAX-TERNA (MEDITERRANEAN CITY OF DREAMS), whose scope of operations pertains to construction casino and hotel units
- HERAKLION CRETE INTERNATIONAL AIRPORT S.A. CONCESSION, whose scope of operations pertains to exploitation of airport construction concession.
- GEK TERNA MOTORWAYS MAE, whose scope of operations pertains to exploitation of investments in concession companies of the Group.

On 05.09.2019, the sub-group TERNA ENERGY finalized the acquisition of Bearkat wind farm in Texas, Glasscock County, USA, of total capacity city 196,65 MW, belonging to the company BEARKAT I TE PARTNERSHIP LLC, operating in producing electricity from RES (see Note 7.1).

In December 2019, GEK TERNA S.A. acquired 100% of the share capital of five (5) companies domiciled in Holland, in particular: KASSIOPI BV, AVLAKI I BV, AVLAKI II BV, AVLAKI III BV and AVLAKI IV BV (see Note 7.2).

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On 31.12.2019, the companies of the sub-group TERNA ENERGY, EN.ER.MEL and OPTIMUS ENERGY S.A. were reclassified from the category of associates to the category of joint ventures. In particular, as far as the company EN.ER.MEL was concerned, there was a change in the participating interest, while regarding the company OPTIMUS ENERGY S.A., the issue of exercising control was reassessed (see Notes 13 and 14)

The voting rights of GEK TERNA S.A. in all the aforementioned investments coincide with the participating interest it holds over the circulation of the companies' share capital.

* The companies TERNA ENERGY and TERNA QATAR LLC are fully consolidated as subsidiaries, since the Group exercises control over them in compliance with the provisions of IFRS 10 (see Note 12.2).

** Within the third quarter of 2019, the transformation of four subsidiaries of the sub-group TERNA ENERGY into the legal form of a Societe Anonyme was completed. The companies have now been renamed ENERGIKI DYSTION EVIAS S.A., AIOLIKI EAST GREECE S.A. AIOLIKI MARMARIOU EVIAS S.A. and ENERGIKI STYRON EVIAS S.A. Furthermore, the company TERNA ILIAKI ILIOKASTROU S.A. was renamed into AIOLIKI CENTRAL GREECE S.A. without any change in its shareholder composition and the method of consolidation.

6. OPERATING SEGMENTS

An operating segment is a component of an economic entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses that concern transactions with other components of the same economic entity) and, b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess its performance.

The term "chief operating decision maker" defines the Board of Directors that is responsible for the allocation of resources and the assessment of the operating segments.

The Group presents separately the information on each operating segment that fulfils certain criteria of characteristics and exceeds certain quantitative limits.

The amount of each element of the segment is that which is presented to the "Chief operating decision maker" with regard to the allocation of resources to the segment and the evaluation of its performance. The above information is presented in the attached statements of financial position, total comprehensive income and cash flows according to the IFRS, whereas previously recorded operating segments –as presented in the financial statements of the previous year- require no amendments.

Specifically, the Group recognizes the following operating reporting segments, whereas no less significant other segments exist that could be consolidated in the "other segments" category.

Construction: refers, almost exclusively, to contracts for the construction of technical projects.

Electricity from renewable sources of energy: refers to the electricity production from wind generators (wind parks), from hydroelectric projects and other renewable energy sources.

Electricity from thermal energy sources and trading of electric energy: refers to the electricity production using natural gas as fuel, and to trading of electric energy.

Real estate development: refers to purchase, development and management of real estate as well as to investments for value added from an increase of their price.

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Industry: refers to the production of quarry products and the exploitation of magnesite quarries.

Concessions: concerns the construction and operation of infrastructure (eg motorways), other public interest projects (Unified Automatic Collection System and municipal waste treatment plant) and other facilities (eg, car stations, etc.) in exchange for their long-term exploitation in relation to the services offered to the public.

Holdings: refers to the supporting operation of all of the segments of the Group.

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Business segments 31.12.2019	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Sales of products and merchandise	0	237,267	36,981	2,623	9,779	0	0	0	286,650
Sales of services	3,058	0	0	1,437	0	23,756	115	0	28,366
Revenues from operation of motorways	0	0	0	0	0	161,112	0	0	161,112
Revenues from construction services	674,562	0	0	0	0	0	0	0	674,562
Income from leases	2,167	0	0	629	100	2,099	54	0	5,049
Revenue from external customers	679,787	237,267	36,981	4,689	9,879	186,967	169	0	1,155,739
Inter-segmental turnover	56,908	0	0	531	3	2,596	99	(60,137)	0
Revenue	736,695	237,267	36,981	5,220	9,882	189,563	268	(60,137)	1,155,739
Results before taxes, financing and investing activities	(2,547)	119,618	1,555	755	(10,963)	51,885	(6,578)	0	153,725
Interest income	1,991	230	0	106	0	6,200	1,057	0	9,584
Interest and related expenses	(4,799)	(63,264)	(31)	(532)	(3,782)	(46,905)	(8,549)	0	(127,862)
Profit/(Losses) from derivatives valuation	0	6,870	0	0	0	39,141	0	0	46,011
Results from associates and Joint Ventures	0	(26)	(6,671)	(190)	0	(1,027)	0	0	(7,914)
Results from participations and securities	(200)	(4)	0	0	0	0	4,477	0	4,273
Earnings before taxes	(5,555)	63,424	(5,147)	139	(14,745)	49,294	(9,593)	0	77,817
Income tax	(8,883)	(14,939)	(602)	(460)	(5,937)	5,035	3,700	0	(22,086)
Net Earnings/(losses) after taxes	(14,438)	48,485	(5,749)	(321)	(20,682)	54,329	(5,893)	0	55,731

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Business segments 31.12.2019	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Assets	709,318	2,010,833	10,428	102,986	115,008	1,212,211	97,939	0	4,258,723
Investments in associates	0	67	0	1,085	0	0	0	0	1,152
Investments in joint ventures	0	2,869	37,890	0	2,716	5,919	0	0	49,394
Total Assets	709,318	2,013,769	48,318	104,071	117,724	1,218,130	97,939	0	4,309,269
Liabilities	620,789	1,616,529	4,909	74,346	122,755	902,766	200,300	0	3,542,394
Loans	136,245	963,905	0	61,886	81,205	632,631	155,470	0	2,031,342
Cash and Cash Equivalents	203,677	242,222	1,517	4,215	3,246	62,692	77,102	0	594,671
Net debt / (surplus)	(67,432)	721,683	(1,517)	57,671	77,959	569,939	78,368	0	1,436,671
Capital expenditure for the period 31.12.2019	6,712	260,172	0	2,001	6,842	2,491	351	0	278,569

During the year ended December 31, 2019, an amount of 295.0 million (25.43%) of the Group's turnover comes from an external customer (Client A) in the construction segment.

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Business segments 31.12.2018	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Sales of products and merchandise	0	216,336	19,702	1,489	11,263	0	0	0	248,790
Sales of services	3,544	0	0	1,388	0	44,206	114	0	49,252
Revenues from operation of motorways	0	0	0	0	0	151,285	0	0	151,285
Revenues from construction services	944,839	0	0	0	0	0	0	0	944,839
Income from leases	579	0	0	6,309	100	1,493	53	0	8,534
Revenue from external customers	948,962	216,336	19,702	9,186	11,363	196,984	167		1,402,700
Inter-segmental turnover	64,391	0	0	664	6	32	114	(65,207)	0
Revenue	1,013,353	216,336	19,702	9,850	11,369	197,016	281	(65,207)	1,402,700
Results before taxes, financing and investing activities	25,163	107,091	1,542	(3,587)	(5,594)	48,210	(7,524)	0	165,301
Interest income	2,329	929	1	8	1	5,136	1,584	0	9,988
Interest and related expenses	(4,707)	(58,303)	(19)	(2,759)	(3,294)	(50,549)	(6,978)	0	(126,609)
Profit/(Losses) from derivatives valuation	0	1,088	0	0	0	7,219	0	0	8,307
Results from associates and Joint Ventures	0	(28)	1,189	(44)	0	(138)	0	0	979
Results from participations and securities	(5)	0	0	26	(2)	0	2,830	0	2,849
Earnings before taxes	22,780	50,777	2,713	(6,356)	(8,889)	9,878	(10,088)	0	60,815
Income tax	(23,110)	(13,329)	(92)	(230)	2,456	10,052	(721)	0	(24,974)
Net Earnings/(losses) after taxes	(330)	37,448	2,621	(6,586)	(6,433)	19,930	(10,809)	0	35,841

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Business segments 31.12.2018	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Assets	899,110	1,534,222	9,142	116,204	110,582	1,207,149	77,424	0	3,953,833
Investments in associates	10	2,741	0	1,821	0	0	0	0	4,572
Investments in joint ventures	0	0	44,565	33	2,716	4,129	0	0	51,443
Total Assets	899,120	1,536,963	53,707	118,058	113,298	1,211,278	77,424	0	4,009,848
Liabilities	795,739	1,181,440	4,412	87,811	97,549	944,155	169,744	0	3,280,850
Loans	105,173	768,363	0	75,335	64,458	695,540	141,797	0	1,850,666
Cash and Cash Equivalents	248,261	135,013	1,674	27,277	2,072	61,725	47,220	0	523,242
Net debt / (surplus)	(143,088)	633,350	(1,674)	48,058	62,386	633,815	94,577	0	1,327,424
Capital expenditure for the period 1.1-31.12.2018	4,233	108,062	26	2,997	9,892	29,515	46	0	154,771

During the year ended December 31, 2018, an amount of 564.4 million (40.24%) of the Group's turnover comes from an external customer (Client A) in the construction segment.

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Geographical segments 31.12.2019	Greece	Balkans	Middle East	Eastern Europe	USA	Other regions	Consolidated total
Turnover from external customers	946,951	67,819	51,011	20,768	61,138	8,052	1,155,739
Non-current Assets (excl. deferred tax assets and financial assets)	1,600,297	46,872	2,101	131,306	774,280	0	2,554,856
Capital expenditure	99,072	3,006	786	64	175,641	0	278,569
Geographical segments 31.12.2018	Greece	Balkans	Middle East	Eastern Europe	USA	Other regions	Consolidated total
Turnover from external customers	1,193,139	69,897	60,799	23,271	45,242	10,352	1,402,700
Non-current Assets (excl. deferred tax assets and financial assets)	1,600,083	72,675	2,653	96,976	462,159	1,040	2,235,585
Capital expenditure	79,760	3,156	125	47	71,665	19	154,771

7. BUSINESS COMBINATIONS - GOODWILL

7.1 Acquisition of «Barkat I» wind farm through TERNA DEN LLC (subsidiary of TERNA ENERGY sub-Group)

On 05.09.2019, TERNA ENERGY sub-Group, through its 100% subsidiary, TERNA DEN LLC (a subsidiary of TERNA ENERGY USA HOLDING CORPORATION) acquired 100% of Class B membership interests of BEARKAT I TE PARTNERSHIP LLC. The aforementioned company owns 100% shares of BEARKAT WIND I LLC, which owns and operates “Barkat I” wind farm of 196.65 MW in Texas (Glasscock County), USA. The aforementioned transaction was carried out against the total consideration of 119,694 (\$ 132,357 k) which was settled in cash by 58,781 (\$ 65,000 k) and by 60,913 (\$ 67,357 k) through undertaking a long-term loan of 57.296 and short-term loan of 3.617 from the seller Bank.

The procedure of determining the Purchase Price Allocation in accordance with IFRS 3 “Business Combinations” will be finalized within 12 months as from the acquisition date. Accordingly, the provisional fair values of the assets acquired and liabilities assumed in September 2019 are as follows:

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	Provisional values as at the date of obtaining control
ASSETS	
Tangible fixed assets	211,550
Receivables from derivatives	7,470
Trade receivables	2,682
Prepayments and other receivables	3,255
Cash and cash equivalents	5,204
Total assets	230,161
LIABILITIES	
Equity investments equivalent to financial liabilities	113,685
Other provisions	1,370
Deferred tax liabilities	3,050
Short-term loans	6,613
Suppliers	1,819
Accrued and other short term liabilities	1,335
Income tax payable	571
Total liabilities	128,443
Net assets	101,718
Acquisition Cost	119,693
Less: Borrowing Interest Rate Impairment Benefit	(17,975)
Less: Net value of assets at acquisition date	(101,718)
Consideration from acquisition	0
Analysis of outflows as at the date of obtaining control:	
Cash settled consideration	58,781
Consideration settled in bank borrowings	60,913
Total consideration from acquisition	119,694
Less: Consideration settled in bank borrowings	(60,913)
Less: Cash available acquired	(5,204)
Total cash outflows as at date of obtaining control	53,577

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The above table presents the fair values of the acquired assets and undertaken liabilities at the date of acquisition of control, ie on 05.09.2019. The fair values of tangible fixed assets of 211,550 (\$ 233,932 k) have been based on a temporary report of an independent appraiser, which is expected to be finalized within 12 months as from the acquisition date. The item " Equity investments equivalent to financial liabilities" was determined using a technical valuation based on the wind farm financing model, which projects future cash flows before taxes, taxes and production tax credits and applying the Equity Tax discount rate, agreed upon with the Investor, IRR Investment Rate (see Note 26).

Furthermore, in the context of finalizing the acquisition consideration, an amount of 17,975 (\$ 19,878 k) was recognized, which relates to the reduction in interest rates of the Group's existing loans from the seller Bank (for Fluvanna I and Gopher Greek), and which was agreed in the context of the transaction. In particular, based on the new reduced interest rates and in accordance with the requirements of IFRS 9, the Group derecognised a previous loan of 125,550 (\$ 138,833 k) and recognized a new loan of 107,575 (\$ 118.955 k). The loans were recognized at their fair value, which was provisionally assessed by the Management discounting the new cash flows at the initial discount rate of the loans (10.38%). The difference between the nominal amount of the loans and their fair value amounted to a total of 17,975. According to the provisions of IFRS 9, this amount is recognized benefiting the financial results. However, and since this benefit arose in the context of an acquisition transaction, in the process of allocating the acquisition consideration, that amount was considered to constitute an element of the transaction consideration and, under its accounting treatment, was recognized as a deduction to it.

In the context of all the above calculations and as presented in the above table, the Group has not recognized goodwill from the above acquisition in the consolidated financial statements as at 31.12.2019.

On 31.12.2019, the acquisition of "Bearkat I" resulted in an increase in the Group's assets and liabilities by 220,903 (5.1% of the Group's total assets) and 108,896 (3.1% of the Group's total liabilities) respectively. The above acquisition contributed to the Group's turnover and profit for the period 05,09 - 31.12.2019, amounting to 6,299 and 1,452 (loss) respectively.

7.2 Acquisition of the companies KASSIOPI BV, AVLAKI I BV, AVLAKI II BV, AVLAKI III BV and AVLAKI IV BV by GEK TERNA

In December 2019, GEK TERNA acquired 100% of the share capital of five (5) companies domiciled in Holland, namely KASSIOPI BV, AVLAKI I BV, AVLAKI II BV, AVLAKI III BV and AVLAKI IV. These companies do not have any operations and their sole assets are land plots in the areas of Kassiopei and Avlaki in Corfu, totally consolidated in the financial statements of GER TERNA. The objective of this acquisition is the commercial exploitation of the acquired properties. During the review of the provisions of IFRS 3, it was established that the acquired assets and undertaken liabilities of the above companies are not "business" in the scope of definition of IFRS 3 and, therefore, do not fall within the scope of this Standard, but should be accounted for as acquisition of assets. The total acquisition consideration for the above companies amounted to 8,700, payable in ten (10) monthly equal installments starting as at 02.03.2020. The transaction consideration was determined based on the fair value of the real estate items, ie total assets amounting to 8,700 were acquired under this transaction, while no liabilities were undertaken, since the companies' sole assets were real estate items. No goodwill has arisen following the aforementioned acquisitions. The consolidated Income Statement for 2019 was not affected by the consolidation of the above companies, ie no results of operating activities are included, as these companies did not have any operations until the end of the fiscal year.

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7.3 Goodwill

As at 31.12.2019, the Group has recognized in the consolidated financial statements goodwill of 3.025, which is related to the operating segment "Constructions" (In the previous year the Group, through its subsidiary TERNA S.A, acquired the remaining 66.7% of the construction consortiums EUROIONIA and E-65, with which it would carry out an additional significant construction work on existing construction contracts). The analysis of the changes in goodwill for the years 2019 and 2018 is as follows:

	Construction Segment
Net book value at 01.01.2018	3,183
Impairment of Goodwill	-
Net book value at 31.12.2018	3,183
Net book value at 01.01.2019	3,183
Impairment of Goodwill	(158)
Net book value at 31.12.2019	3,025
Gross book value on 31.12.2019	9,759
Accumulated impairment losses	(6,734)
Net book value at 31.12.2019	3,025

An impairment test is based on the determination of the recoverable amount, which has been determined on a value-in-use basis. This determination is made using the discounted cash flows method based on the remaining estimated cash flows expected until the completion of the construction work of the joint ventures.

This methodology for determining value-in-use is affected by the following key assumptions as adopted by the Management to determine future cash flows: (a) the revenue projected under the existing construction contracts of two joint ventures, b) the budgeted operating profit margins of construction projects, which are also calculated on the basis of the results of the last years.

Based on the impairment test carried out at the end of the reporting period, loss of 158 has arisen, included in the item "Other Revenue/(Expenses)" (Note 40) to the Consolidated Statement of Comprehensive Income for 2019.

8. INTANGIBLE FIXED ASSETS

Intangible assets of the Group and the relative changes for the periods January 1 – December 31, 2019 and 2018, presented in the accompanying financial statements, are analyzed as follows:

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GROUP

	Concessions and other Rights	Rights from construction contract	Software	Research and development	Total
Acquisition Value					
1st January 2019	1,089,230	88,021	7,622	5,926	1,190,799
Additions	3,932	0	1,419	99	5,450
Change in consolidation percentage	(97)	0	(17)	0	(114)
Sales	(349)	0	(60)	0	(409)
Impairments/Write offs	0	0	(115)	0	(115)
Transfers	(5,065)	0	0	1,354	(3,711)
Foreign exchange differences	164	0	7	0	171
31st December 2019	1,087,815	88,021	8,856	7,377	1,192,069
Accumulated amortization and impairments					
1st January 2019	(295,511)	(86,160)	(5,715)	(748)	(388,134)
Amortization for the year	(41,796)	(239)	(947)	(228)	(43,210)
Sales	74	0	60	0	134
Impairments/Write offs	(612)	0	71	0	(541)
Transfers	(5,375)	0	65	0	(5,310)
Foreign exchange differences	(44)	0	(7)	0	(51)
31st December 2019	(343,264)	(86,399)	(6,473)	(975)	(437,111)
Net book value					
31st December 2019	744,551	1,622	2,383	6,402	754,958

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	GROUP				
	Concessions and other Rights	Rights from construction contract	Software	Research and development	Total
<u>Acquisition Value</u>					
1st January 2018	1,081,517	88,021	6,799	4,808	1,181,145
Additions	7,428	0	1,028	380	8,836
Sales	(46)	0	(223)	0	(269)
Impairments/Write offs	(42)	0	0	0	(42)
Transfers	0	0	2	738	740
Foreign exchange differences	373	0	16	0	389
31st December 2018	1,089,230	88,021	7,622	5,926	1,190,799
<u>Accumulated amortization and impairments</u>					
1st January 2018	(252,678)	(84,295)	(5,059)	(605)	(342,637)
Additions	(42,006)	(1,865)	(649)	(143)	(44,663)
Sales	3	0	10	0	13
Impairments/Write offs	(730)	0	0	0	(730)
Transfers	0	0	(1)	0	(1)
Foreign exchange differences	(100)	0	(16)	0	(116)
31st December 2018	(295,511)	(86,160)	(5,715)	(748)	(388,134)
<u>Net book value</u>					
31st December 2018	793,719	1,861	1,907	5,178	802,665

The amortization for the years 2019 and 2018 has been recognized in Cost of sales by 42,742 (44,423 in 2018), in Administrative and distribution expenses by 373 (216 in 2018), R&D expenses by 14 (14 in 2018), Other Income / (expenses) by 0 (2 in 2018) and Inventory by 81 (8 in 2018).

The Company's intangible assets, with a book value of 140 (130 in 2018), relate to software with an acquisition cost of 536 (491 in 2018) and accumulated amortization of 396 (361 in 2018). The amortization of year 2019 amounting to 32 (23 in 2018), has been recorded in Administrative and distribution expenses.

Development costs mainly refer to costs incurred in magnesite mines.

The account Concessions and Other Rights includes: (a) rights from concession agreements amounting to 695,155 (745,229 in 2018), (b) paid rights for exploitation of quarries and magnesite mines of book value 26,284 (26,881 in 2018), with estimated useful life of 50 years, and (c) paid rights for installation of wind parks of book value 23,105 (21,464 in 2018).

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In the value of the intangible right arising from the Concession Agreements, the Group has recognized the financial contribution of the State as a deduction from the intangible asset generated under the agreement.

For the construction of the Deferred Section A (ATA), the Greek State will pay as a Financial Contribution to the subsidiary company CENTRAL GREECE MOTORWAY S.A. the total amount of 305,735 in equal payments. Within the fiscal year 2019, through the subsidiary CENTRAL GREECE MOTORWAY S.A., the Group received an amount of 97,962 (68.694 in 2018) which concerns the financial contribution of the State, as a subsidy for the construction of the project "Central Greece Motorway (E65)", which is in the form of a capital subsidy.

Given the provisions of the Concession Agreement regarding the construction, operation and exploitation of the Deferred Section A (southern section E65 - connection of PATHE motorway with Xyniada road), based on which, firstly, the project is by 100% funded by the State through European resources and, secondly, no return has been projected for the shareholder from the operation of this Section, no profit is recognised in compliance with the provisions of IFRIC 12 during the construction stage and, moreover, since the cost of construction services is fully covered by the relative subsidy, the book value of the concession right from the construction of the southern section of E 65, equals zero.

The net book value of concession rights amounting to 695,155 (745,229 in 2018) is analyzed as follows:

COMPANY	CONCESSION	COST 31.12.2019	NET BOOK VALUE 31.12.2019	CONCESSION PERIOD	NOTES
NEA ODOS SA	Ionia Odos and PATHE, parts of Athens – Skarfeia and Shimatari - Chalkida	576,257	307,233	18	In operation
CENTRAL GREECE MOTORWAY SA	Central Greece Motorway (E-65) and PATHE, part of Skarfeia - Raches	421,248	379,055	18	In operation
HERON CONCESSIONS SA	Tsalapata preserved pottery Center in Volos	6,672	337	10	In operation
HERON CONCESSIONS SA	Car park station	2,916	2,118	35	In operation
AEIFORIKI EPIRUS MAEES	Waste management in Ioannina	1,801	1,795	24	In operation
KIFISIA PLATANOU SQ. CAR PARK S.A.	Parking station in Kifisia Square	8,020	4,516	18	In operation
PARKING STATION SAROKOU SQ. CORFU S.A.	Parking station in Corfu	101	101	-	Termination of development
TOTAL		1,017,015	695,155		

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The rights from concession contracts on 31.12.2018 are as follows:

COMPANY	CONCESSION	COST 31.12.2018	NET BOOK VALUE 31.12.2018	CONCESSION PERIOD	NOTES
NEA ODOS SA	Ionia Odos and PATHE, parts of Athens – Skarfeia and Shimatari - Chalkida	576,257	325,775	19	In operation
CENTRAL GREECE MOTORWAY SA	Central Greece Motorway (E-65) and PATHE, part of Skarfeia - Raches	431,295	410,160	19	In operation
HERON PARKING SA *	Tsalapata preserved pottery Center in Volos	6,672	346	11	In operation
HERON PARKING SA	Car park station in Volos	2,916	2,178	36	In operation
AEIFORIKI EPIRUS MAEES	Waste management in Ioannina	1,801	1,801	25	In operation
KIFISIA PLATANOU SQ. CAR PARK SA	Parking station in Kifisia Square	8,020	4,868	19	In operation
PARKING STATION SAROKOU SQ. CORFU S.A.	Parking station in Corfu	101	101	-	Termination of development
TOTAL		1,027,062	745,229		

* In the last quarter of 2018, the company HERON S.A. absorbed the company IOLKOS S.A. and as a result, the concession agreement t was transferred to the company HERON S.A.

Impairment test of depreciable intangible assets

The Group has not recognized non-depreciable intangible assets and therefore the Group's management performs related impairment testing in accordance with the requirements of IAS 36 only when and where relevant evidence of impairment arises.

In 2019, total impairment losses were recognized on the value of intangible assets amounting to 612 (31.12.2018:763) which also burdened the consolidated results of the Group and have been recognized in the account "Other Revenue/(Expenses)" of the Income Statement for the year (Note 40). This amount is related to impairment losses on a wind park license of the sub-group TERNA ENERGY in Bulgaria.

For the purpose of testing the assets of energy parks from RES, the recoverable value is determined according to the value in use calculation. This calculation uses projected cash flows, based on financial budgets that have been approved by the Group's management and cover the remaining useful life of the park. Assumptions of projected sales include assumption and estimates of the management.

The factors taken into account for the calculation of these projections are historical measurements of electricity generation and electricity sales prices. The recoverable amount is affected (sensitively) by the key factors such as sales volumes, sales prices, EBITDA and discount rate (for Greece 5.4% - 8.17%, for Poland 5.07 % - 10.04% and for Bulgaria 8,58%).

With respect to the rights deriving from Concession Agreements, the management assessed that there is no evidence of impairment, since no deviations regarding their business plan have been established.

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9. RIGHT OF USE ASSETS

The right of use assets were recognized according to first implementation of IFRS 16 (see note 2.6.3).
The changes are presented below as follows:

	GROUP					
	Land- Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
<u>Acquisition Value</u>						
1st January 2019	0	0	0	0	0	0
Adjustments from new standard implementation (note 2.6.3)	5,972	8,429	1,382	2,100	2	17,885
Transfers from tangible assets due to implementation of new standard (note 2.6.3)	0	0	24,290	6,428	0	30,718
1st January 2019, Readjusted Balance	5,972	8,429	25,672	8,528	2	48,603
Additions	2,962	1,561	300	627	0	5,450
Termination of contracts	(185)	(673)	(81)	(451)	0	(1,390)
Transfers	0	0	29	0	0	29
Foreign exchange differences	44	16	(1)	1	0	60
31st December 2019	8,793	9,332	25,920	8,705	2	52,753
<u>Accumulated amortization and impairments</u>						
1st January 2019	0	0	0	0	0	0
Transfers from tangible assets due to implementation of new standard (note 2.6.3)	0	0	(8,469)	(2,868)	0	(11,337)
1st January 2019, Readjusted Balance	0	0	(8,469)	(2,868)	0	(11,337)
Amortization	(767)	(2,948)	(1,774)	(1,262)	(2)	(6,753)
Foreign exchange differences	(1)	1	1	0	0	1
31st December 2019	(768)	(2,947)	(10,242)	(4,130)	(2)	(18,089)
<u>Net book value</u>						
31st December 2019	8,025	6,385	15,678	4,575	0	34,664

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	COMPANY					
	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
<u>Acquisition Value</u>						
1st January 2019	0	0	0	0	0	0
Adjustments from new standard implementation (note 2.6.3)	0	331	0	0	0	331
1st January 2019, Readjusted Balance	0	331	0	0	0	331
Additions	0	194	0	6	0	200
31st December 2019	0	525	0	6	0	531
<u>Accumulated amortization and impairments</u>						
1st January 2019	0	0	0	0	0	0
Amortization	0	(72)	0	(1)	0	(73)
31st December 2019	0	(72)	0	(1)	0	(73)
<u>Net book value</u>						
31st December 2019	0	453	0	5	0	458

Amortization regarding the Group for 2019 has been recorded in the Cost of sales by 4,263, in the Administrative and distribution Expenses by 1,829, in the Research and Development Expenses by 5 and in the Other Income/(expenses) by 553 and in the Inventory by 103.

Amortization regarding the Company for 2019 has been recorded in the Cost of sales by 14, in Administrative and disposal Expenses by 59.

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*(Amounts in thousands Euro, unless otherwise stated)***10. TANGIBLE FIXED ASSETS**

The Group's and the Company's tangible fixed assets and their movements for the periods from 1 January to 31 December 2019 and 2018, in the accompanying financial statements, are analyzed as follows:

	GROUP						Total
	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed asset	
Acquisition Value							
1st January 2019	25,395	171,220	1,501,714	50,107	40,518	113,193	1,902,148
Transfers to Right of use assets	0	0	(24,290)	(6,428)	0	0	(30,718)
1st January 2019, Readjusted Balance	25,395	171,220	1,477,424	43,679	40,518	113,193	1,871,430
Additions	85	3,314	153,364	1,289	2,928	50,906	211,886
Addition due to acquisition of entity (Note 7.1)	0	0	227,031	0	0	0	227,031
Cost of borrowing	0	0	4,946	0	0	0	4,946
Provisions for restoration	0	0	1,897	0	0	0	1,897
Sales	(167)	(3,074)	(10,613)	(1,437)	(2,609)	0	(17,900)
Impairments/Write offs	0	(888)	(1,924)	(450)	(520)	(308)	(4,090)
Transfers	(113)	9,463	98,402	174	1,214	(102,813)	6,327
Foreign exchange differences	0	763	5,454	69	101	1,880	8,267
31st December 2019	25,198	180,797	1,955,983	43,325	41,633	62,858	2,309,794

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Accumulated depreciations and impairments

1st January 2019	(6,343)	(50,262)	(445,808)	(35,004)	(32,039)	0	(569,455)
Transfers to Right of use assets	0	0	8,469	2,868	0	0	11,337
1st January 2019, Readjusted Balance	(6,343)	(50,262)	(437,339)	(32,136)	(32,039)	0	(558,118)
Depreciation for the year	(280)	(6,615)	(61,988)	(1,895)	(2,642)	0	(73,420)
Addition due to acquisition of entity (Note 7.1)	0	0	(15,481)	0	0	0	(15,481)
Sales	0	1,150	9,184	1,240	2,329	0	13,903
Impairments/Write offs	(212)	157	1,182	415	471	375	2,388
Transfers	113	(5,610)	787	(113)	(698)	(695)	(6,216)
Foreign exchange differences	0	(141)	(1,816)	(54)	(93)	0	(2,104)
31st December 2019	(6,720)	(61,321)	(505,471)	(32,543)	(32,673)	(320)	(639,047)
Net book value							
31st December 2019	18,478	119,477	1,450,512	10,782	8,960	62,538	1,670,747

	GROUP						Total
	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed asset	
Acquisition Value							
1st January 2018	24,618	132,999	1,418,914	46,599	38,432	84,220	1,745,782
Additions	329	20,161	35,661	4,014	2,678	78,463	141,306
Cost of borrowing	0	0	98	0	0	1,323	1,421
Provisions for restoration	0	0	1,024	0	0	0	1,024
Sales	0	(449)	(7,198)	(620)	(777)	0	(9,044)
Impairments/Write offs	0	0	(687)	0	0	(396)	(1,083)
Transfers	448	17,104	38,449	95	(31)	(53,028)	3,038
Foreign exchange differences	0	1,405	15,453	19	216	2,611	19,704
31st December 2018	25,395	171,220	1,501,714	50,107	40,518	113,193	1,902,148

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*(Amounts in thousands Euro, unless otherwise stated)***Accumulated depreciation and impairments**

1st January 2018	(3,068)	(44,076)	(389,810)	(33,018)	(29,544)	0	(499,516)
Depreciation for the year	(280)	(6,016)	(55,546)	(2,358)	(2,921)	0	(67,121)
Sales	0	27	2,323	421	431	0	3,202
Impairments/Write offs	(2,547)	2,675	(24)	7	187	0	298
Transfers	(448)	(2,661)	(26)	56	(13)	0	(3,092)
Foreign exchange differences	0	(211)	(2,725)	(112)	(179)	0	(3,227)
31st December 2018	(6,343)	(50,262)	(445,808)	(35,004)	(32,039)	0	(569,455)
<u>Net book value</u>							
31st December 2018	19,052	120,959	1,055,907	15,103	8,479	113,193	1,332,693

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	COMPANY						Total
	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed asset	
Acquisition Value							
1st January 2019	2,113	12,821	126	72	1,686	0	16,818
Additions	0	0	0	305	1	0	306
Sales	0	0	0	(6)	0	0	(6)
Impairments/Write offs	0	0	0	(6)	0	0	(6)
31st December 2019	2,113	12,821	126	365	1,687	0	17,112
Accumulated depreciation and impairments							
1st January 2019	0	(5,930)	(125)	(42)	(1,635)	0	(7,732)
Depreciation for the year	0	(391)	0	(44)	(14)	0	(449)
Impairments/Write offs	0	(160)	0	6	0	0	(154)
31st December 2019	0	(6,481)	(125)	(80)	(1,649)	0	(8,335)
Net book value							
31st December 2019	2,113	6,341	1	284	38	0	8,777

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	COMPANY						Total
	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed asset	
<u>Acquisition Value</u>							
1st January 2018	2,113	12,814	126	69	1,680	0	16,802
Additions	0	7	0	3	6	0	16
31st December 2018	2,113	12,821	126	72	1,686	0	16,818
<u>Accumulated depreciation and impairments</u>							
1st January 2018	0	(5,540)	(125)	(39)	(1,623)	0	(7,327)
Depreciation for the year	0	(390)	0	(3)	(12)	0	(405)
31st December 2018	0	(5,930)	(125)	(42)	(1,635)	0	(7,732)
<u>Net book value</u>							
31st December 2018	2,113	6,892	1	29	51	0	9,085

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The Group's additions for 2019 totalling 211,886 mainly pertain to investments of TERNA ENERGY sub-group, amounting to 194,173. In particular, these investments include the construction of the wind park Fluvanna II (158 MW) in Texas, USA, amounting to 118,501, additions amounting to 30,942 in wind parks of the Greek subsidiaries and an amount of 41,012 relates to advance payments for assets acquisition for new wind parks in Evia.

Depreciation of the Group for year 2019 has been recognized in Cost of sales by 70,213 (64,467 in 2018), in Administrative and distribution expenses by 2,510 (2,167 in 2018), in Research and development expenses by 47 (78 in 2018), in Other income/ (expense) by 273 (347 in 2018) and in inventory by 377 (62 in 2018).

Depreciation of the Company amounting to 449 (405 in 2018), is presented in the Statement of comprehensive income by 307 (306 in 2018), in Cost of sales and by 142 (100 in 2018), in Administrative and distribution expenses.

In the year ended 31 December 2018, a total impairment loss of 678 (2018: 896) was recognized burdening the consolidated Income Statement of the Group and recognized in "Other Income/ (Expenses)" account in the Income Statement for the year (see Note 40). This amount is further analyzed as follows: (a) an impairment loss of 1,445 concerning the facilities of a power plant unit from a biomass of a subsidiary of the sub-group TERNA ENERGY in Greece (2018: impairments of 896 were recognized), (b) recovery of impairment losses of 1,126 and 36 relating to the subsidiaries of GEK TERNA Group, pertaining to the real estate segment and industry respectively and (c) loss of 395 relating to impairments made in the parent company and other subsidiaries of the GEK TERNA Group.

The account "Technological and mechanical equipment" includes Wind Park wind generators totalling 1,398,600 which have been collateralized in favour of banks to secure long-term loans. Mortgage liens of various types amounting to a total of 21,271 have been written on the real estate items of the Group's companies for security against bond loans.

The categories "Land-plots", "Buildings and installations" and "Technological and mechanical equipment", include fixed assets with a net book value of 78,672 and 83,181 on 31 December 2019 and 2018 respectively, which concern Installations of Distribution Networks constructed by the TERNA ENERGY and as stipulated by contracts with D.E.D.D.I.E., are transferred to D.E.D.D.I.E., at no cost, during the initial operation of each Wind Park. However, ever after their transfer, such installations will continue to serve the purpose for which they had been constructed, namely the sale of the produced electric energy to D.E.D.D.I.E. and L.A.G.I.E., remaining at the exclusive use of the Company, and thus the net book value during the transfer date will continue to be depreciated, as previously, until the fulfilment of the 25-year depreciation period of Wind Parks.

11. INVESTMENT PROPERTY

For the period from January 1st to December 31, 2019 and 2018, the Group's and the Company's investment property is analyzed as follows:

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	GROUP		COMPANY	
	2019	2018	2019	2018
1st January 2019	41,030	113,705	11,290	12,810
Additions for the period	7	2,185	0	0
Fair value adjustments	1,507	(4,770)	(43)	(1,520)
Reductions	(1,873)	(71,654)	(1,730)	0
Transfers	244	1,564	19	0
31st December 2019	40,916	41,030	9,536	11,290

Investment property is determined using the fair value method of IAS 40. Measurement at fair value has been determined taking into account the Company's ability to achieve its maximum and best use by assessing the use of each item that is legally permissible and economically possible. The Group made a revaluation of the fair value of its property portfolio in the year 2019 by assigning its valuation work to independent property appraisers. Revaluation of fair value of investment property resulted in a net profit of 1,507 (versus loss of 4,770 in 2018) (see Note 40).

The following table presents data concerning the key assumptions taken into consideration for the valuation of the investment properties on 31.12.2019:

Property	Fair Value 31.12.2019	Method	Market value	Interest rate	Inflation	Return	Cost of development
Port of Thessaloniki - Parking spaces	930	Capitalization of revenues with cash flow discounting and replacement	60 euro per sqm per month	-	-	10%	-
Metaxourgeio- Apartments and Stores	3,134	Real estate market for apartments	1,833-3,052 euro per sqm	-	-	-	-
Palaia Volos -Mall	4,230	Capitalization of revenues with cash flow discounting and replacement cost	0.60-5.12 euro per sqm per month	9,3%-9,44%	-	7,5% - 8,5%	-
Oropos –Site plot	252	Real estate market	20.50 euro per sqm	-	-	-	-
Ipiros street (Athens)-transfer right of building	140	Real estate market	44 euro per sqm	-	-	-	-
Site plot, Agios Stefanos, Attica	850	Real estate market	Sale 350 euro per sqm	-	-	-	-
Monastiriou street, (Thessaloniki) – Site plot	8,995	Exploitation/R eal estate market	650-2,000 euro per sqm	4.51%	-	-	3,50-10 euro per sqm per month

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Lakeside (Ioannina)- Mall	5,270	Capitalization, replacement cost, with weight factors 80% and 20% respectively	2 - 10 euro per sqm 310 - 776 euro per sqm for the building and 75 euro per sqm for the land	9,30%-9,44%	0,94% - 1,80%	7,5% - 8,5%	-
Kos - Land	* 957	Real estate market	28 euro per sqm	-	-	-	-
Building and Plot position of Lezides Aliveri Evoia	1,122	Real estate market and capitalization of revenues	Building 1.50-4 euro/sqm, land 6-10.5 euro/sqm, lease of building 1.66 euro/sqm	12.25	-	12.25%	-
Plot in Posidonia position, Laurio, Attica	13	Real estate market	1.87 euro per sqm	-	-	-	-
Madoudi, (Evoia) – Plots	624	Real estate market	5.50 euro per sqm	-	-	-	-
3rd Septemvriou street (Athens)- Offices	540	Real estate market and capitalization of revenues	1,022euro per sqm 4.93 euro per sqm per month	-	-	8.50%	-
Bulgaria-Plots for Logistics	687	Real estate market	5-26 euro per sqm	-	-	-	-
Bulgaria-Plots (Batac)	601	Real estate market /Exploitation	19-20 euro per sqm, 35.94 euro per sqm	-	-	-	-
Bulgaria-Plots for Logistics/Bulgaria-Plots (Batac)	248	Real estate market /Exploitation	19-20 euro per sqm, 35.94 euro per sqm	-	-	-	-
Bulgaria-Plots	5,426	Real estate market /Exploitation	35.10 euro per sqm	-	-	-	-
Bulgaria-Sofia – Plot	320	Real estate market	41,6 euro per sqm	-	-	-	-
Bulgaria-Sofia – Plot	535	Real estate market	2,182 euro per sqm	-	-	-	-
Romania-Plot	808	Real estate market	13 euro per sqm	-	-	-	-
Romania-Plot	194	Real estate market	153 euro per sqm	-	-	-	-
Romania-Plot	2,590	Real estate market	404 euro per sqm	-	-	-	-
Romania-Plot	2,450	Exploitation	1,125 euro per sqm	-	-	-	-
	40,916						

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The relative data regarding the key assumptions taken into consideration for the valuation of the investment properties on 31.12.2018, are as follows:

Property	Fair Value 31.12.2018	Method	Market value	Interest rate	Inflation	Return	Cost of development
Port of Thessaloniki - Parking spaces	900	Capitalization of revenues with cash flow discounting and replacement cost	60 euro per sqm per month	-	-	10%	-
Metaxourgeio- Apartments and Stores	4,863	Real estate market for apartments	1,833-3,052 euro per sqm	-	-	-	-
		Capitalization for shops	4.62-9.23 euro per sqm per month	-	-	8.50%	-
Palaia Volos -Mall	4,320	Capitalization of revenues with cash flow discounting and replacement cost	0.60-5.12 euro per sqm per month	8,5%-9,81%	0,90% - 1,78%	7,5% - 8,5%	-
			800-1,100 euro per sqm				
Oropos –Site plot	252	Real estate market	20.50 euro per sqm	-	-	-	-
Ipiros street (Athens)-transfer right of building factor	140	Real estate market	44 euro per sqm	-	-	-	-
Site plot, Agios Stefanos, Attica	815	Real estate market	Sale 350 euro per sqm	-	-	-	-
Monastiriou street, (Thessaloniki) – Site plot	6,987	Exploitation/Re al estate market	650-2,000 euro per sqm	3.29%	-	-	300-700 euro per sqm
Lakeside (Ioannina)- Mall	5,380	Capitalization, replacement	1.6 - 8 euro per sqm	8,50%-9,81%	0,90% - 1,78%	7,5% - 8,5%	-
			400 - 1000 euro per sqm for the building and 80 euro per sqm for the land	-	-	-	-
Kos - Land	957	Real estate market	28 euro per sqm	-	-	-	-

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Building and Plot position of Lezides Aliveri Evoia	1122	Real estate market and capitalization of revenues	Building 1.40-3 euro/sqm, land 5-9.5 euro/sqm, lease of building 1.68 euro/sqm	-	-	12.50%	-
Plot in Posidonia position, Laurio, Attica	13	Real estate market	1.87 euro per sqm	-	-	-	-
Madoudi, (Evoia) – Plots	623	Real estate market	5.50 euro per sqm	-	-	-	-
3rd Septemvriou street (Athens)-Offices	538	Real estate market and capitalization of revenues	1,022euro per sqm	-	-	8.50%	-
			4.93 euro per sqm per month	-	-	-	-
Bulgaria-Plots for Logistics	704	Real estate market	5-26 euro per sqm	-	-	-	-
Bulgaria-Plots (Batac)	573	Real estate market /Exploitation	19-20 euro per sqm, 35.94 euro per sqm	4%	-	10%	353.12 euro per sqm
Bulgaria-Plots for Logistics/Bulgaria-Plots (Batac)	251	Real estate market /Exploitation	19-20 euro per sqm, 35.94 euro per sqm	4%	-	10%	353.12 euro per sqm
Bulgaria-Plots	5,655	Real estate market /Exploitation	35.10 euro per sqm	-	-	-	-
Bulgaria-Sofia –Plot	422	Real estate market	41,6 euro per sqm	-	-	-	-
Bulgaria-Sofia –Plot	541	Real estate market /	2,182 euro per sqm	-	-	-	-
Romania-Plot	819	Real estate market	13 euro per sqm	-	-	-	-
Romania-Plot	195	Real estate market	153 euro per sqm	-	-	-	-
Romania-Plot	2,820	Real estate market	404 euro per sqm	-	-	-	-
Romania-Plot	2,140	Exploitation	1,125 euro per sqm	-	-	-	-
	41,030						

The Group received rents from investment property amounting to 629 and 6,309 in 2019 and 2018 respectively.

Mortgage liens amounting to a total of 5,270 have been written on the investment properties of the Group's companies for security against bond loans.

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12. PARTICIPATIONS IN SUBSIDIARIES

12.1 Analysis of changes of investments in subsidiaries for the year 2019

The subsidiaries of the Company are presented in detail in Note 5.

The change in the book value of investments in subsidiaries in the Company's financial statements is as follows:

	COMPANY	
	2019	2018
Balance 1 January	400,308	346,137
Additions	26,575	60,578
Sale / elimination of subsidiary	(4,533)	(1,484)
Capital return	(4,705)	0
Impairment loss	(9,894)	(11,093)
Recovery of impairment	1,781	6,170
Transfer to Subordinated Debt	(144,801)	0
Balance 31 December	264,731	400,308

The conversion of the participation in the concession companies CENTRAL GREECE MOTORWAY S.A. and NEA ODOS S.A. into a bond loan is analyzed as follows:

An amount of 144,801 concerns the issuance of Secondary Debt provided from conversion of share capital of the concession companies CENTRAL GREECE MOTORWAY S.A. and NEA ODOS S.A., based on the Concession Agreement. In particular, the amounts of 59,000 and 85,801 concern the share capital decrease in the companies CENTRAL GREECE MOTORWAY S.A. and NEA ODOS S.A. respectively, with the simultaneous equal increase of their Secondary Debt, through the issuance of a bond loan, covered exclusively by the sole shareholder GEK TERNA S.A., based on the provisions recorded in the concession agreement and the loan agreements. These transactions were approved by the concession companies, the creditor banks and the Greek State.

In particular, in accordance with the provisions of Article 7.1.3 of the Concession Agreement, as amended by Law 4219/2013, the Greek State accepts the transaction in question, subject to the following conditions: a) non-modification of the entire Binding Investment (that is, its summarized amount, already paid, Share Capital and Secondary Debt), under the reservations of Law 4548/2018 and b) the conversion is carried out after the completion of the construction works of Period T1. Furthermore, under Article 9.2.1 of the Concession Agreement, any amendment to the Concessionaire's Articles of Association is prohibited without the written consent of the State. Corresponding provisions are described in Article 32 of the Common Loan Agreement under certain basic conditions, such as maintaining the total amount of the binding investment, compliance with IFRS accounting requirements, etc. Furthermore, it is to be noted that the amount of the conversion is also projected in the Financial Reconstruction Model (XMA) 2013, which is an Attachment to the Concession Agreement.

The Greek State, through the Ministry of Infrastructure and Transport, agreed to the above transaction in its letter dated 04.07.2019 (EYDE/KSESP/G/F1/5267/ 04.07.2019).

At the General Meetings of the Shareholders held on 09.07.2019 and following the application of article 7.1.3 of the Concession Agreement and article 29 of law 4548/2018, it was decided the decrease the

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Share Capital of the Companies by 59 million euros for CENTRAL GREECE MOTORWAY S.A. and by 85.8 million euros for NEA ODOS S.A. The implementation of the aforementioned resolutions of the General Meetings took place after the approval of GEMI on 09.08.2019 for the CENTRAL GREECE MOTORWAY S.A. and on 20.09.2019 for NEA ODOS S.A. The issuance dates of the Secondary Debt Bonds was 30.09.2019 for CENTRAL GREECE MOTORWAY S.A. and 31.10.2019 for NEA ODOS S.A. The share capital decrease was carried out by amending the Articles of Association, return of capital to the sole shareholder and simultaneous issuance of Secondary Debt. Furthermore, and with regard to Secondary Debt, the key elements of the programs are as follows:

- issue amount 85.801: On 24.09.2019, the Board of Directors of NEA ODOS finalized the most significant terms of the Convertible Subordinate Bond Loan as follows: The maturity date is 18.12.2037 and the entire loan will be repaid on the maturity date, with the option of early repayment in accordance with the terms of the program. The interest rate was set at 7.1% and the period of interest rate was set at six months. Furthermore, there is a one to one conversion right and the exercise of the right at any time until the maturity date.
- issue amount 59.000: The maturity date is 31.03.2038 and the entire loan will be repaid on maturity date, with the option of early repayment in accordance with the terms of the program. The interest rate was set at 7.1% and the period of interest rate was set at six months. Furthermore, there is a one to one conversion right and the exercise of the right at any time until the maturity date.

Regarding the accounting treatment of the transaction according to IFRS, the concession companies, taking into account the requirements of IAS 32, assessed the terms and the financial substance of the convertible Bond Loan Program (mainly in relation to the conversion right) in order to determine whether it contains an element of financial liability and an element of equity. Following the relevant assessment, the issued Secondary Debt was classified in its entirety as a financial liability, without any element of equity. GEK TERNA S.A. has classified these receivables in the accounts "Other long-term receivables" and "Advances and other receivables" of the Separate Financial Statement as of 31.12.2019 (see Notes 16 and 20) and measures these receivables at unamortized cost according to the provisions of IFRS 9.

Additions to the account performed in 2019 are analyzed as follows:

- an amount of 8,700 for the acquisition of 100% of the share capital of five (5) companies domiciled in Holland, namely KASSIOPI BV, AVLAKI I BV, AVLAKI II BV, AVLAKI III BV and AVLAKI IV BV (see Note note 7.2).
- an amount of 11,700 for share capital increase in the subsidiary TERNA S.A.
- an amount of 5,255 for share capital increase in the subsidiary TERNA LEFKOLITHI SA
- an amount of 920 for share capital increases in the subsidiaries IOANNINON ENTERTAINMENT DEVELOPMENT S.A., KIFISIA PLATANOU SQ. CAR PARK S.A.

In 2019, the parent company received in the form of capital return an amount of 4,705 from ICON EOOD subsidiary.

Furthermore, an amount of 4,533 relates to the sale of 100% of the Company's interest in its subsidiary ROM GEK CONSTRUCTIONS SRL, based in Romania. The aforementioned sale was carried out against the total consideration of 5,000, which was fully collected at the date of sale, that is, on 18.06.2019. The result of this transaction recorded a profit of 467 and was included in the "Profit / (Loss) from sale and valuation of equity and other investments" item of the Company Income Statement as of 31.12.2019. This transaction did not have any effect on the Company's consolidated financial statements, as the acquiring company is also by 100% subsidiary of the Group.

Impairment losses recognized within the year stood at 9,894 and are analyzed in Note 12.3 below.

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12.2 Assessment of control in accordance with IFRS 10

- As at 31.12.2019, the Group holds 38.49% (31.12.2018: 38.37%) in the issued share capital of TERNA ENERGY SA. According to the requirements of IFRS 10, the parent company has power over TERNA ENERGY as it has the ability to direct the respective activities through appointing the members of the Board of Directors. The parent company also holds rights with variable returns from its participation in the subsidiary. GEK TERNA holds the largest share among the shareholders. The remaining share of shares not owned by the Company and its affiliated parties is highly dispersed and therefore cannot materially influence decision-making. Furthermore, the parent company can use the power over the subsidiary to influence the amount of its returns. This is the result of the decision-making on subsidiary's matters through the control of the decision-making bodies.
- The company TERNA QATAR LLC, in the share capital of which the Group participates by 35% (through the wholly owned subsidiary TERNA), is consolidated as a subsidiary, as a control is assumed in accordance with the requirements of IFRS 10 "Consolidated Financial Statements". More specifically, due to contract, the Group has the control over the management and operation of the company.

Within the current reporting period, no changes were made in the estimates versus 31.12.2018.

12.3 Impairment test

In accordance with the accounting policies followed and the requirements of IAS 36, the Company performs an impairment test on the assets at the end of each annual reporting period if there is any indication of impairment. A test may be carried out earlier if any evidence of impairment arises. The evaluation conducted focuses on both extrinsic and endogenous factors. In addition, the Company, in the case of participations that have already been impaired and when there is evidence of reversal, compares the book value with their recoverable value and evaluates the possibility of reversing part or all of the impairment recognized in prior periods.

Within the year ended on December 31, 2019 there was an impairment on the value of the participations in subsidiaries totalling 9.894 (11.093 in 2018), as well as impairment reversals amounting to 1.781 (6.170 in 2018).

These amounts are included in the account "Profits / (Losses) from valuation of participations and other securities" of the corporate Income Statement (see Note 42). The impairment losses of 9,894 (11,093 in 2018) are further analyzed as losses: of TERNA LEYKOLITHI S.A. amounting to 8,991 (0 in 2018), of ICON EOOD amounting to 124 (0 in 2018), of STROTIRES S.A. amounting to 122 (0 in 2018), of VI.PA THESSALLONIKIS SA amounting to 342 (684 in 2018), of MONASTIRIO TECHNICAL DEVELOPMENT S.A. amounting to 0 (3,087 in 2018), ROM GEK CONSTRUCTION SRL amounting to 0 (5,444 in 2018), IOANNINON ENTERTAINMENT DEVELOPMENT S.A. amounting to 65 (233 in 2018) and KIFISIA PLATANOU SQ. CAR PARK S.A. amounting to 250 (1,645 in 2018).

Respectively, during the year, impairment losses of previous years were reversed, amounting to 1,781 (6,170 in 2018), relating by an amount of 1,236 (0 in 2018) the subsidiary of MONASTIRIO TECHNICAL DEVELOPMENT S.A., amounting to 207 (706 in 2018), the subsidiary HIRON CONCESSIONS S.A., amounting to 338 (0 in 2018), the subsidiary VIOMEK S.A., and to 0 (5,464 in 2018) the subsidiary ICON.

With respect to the impairment test of the subsidiaries:

- a. for subsidiaries that are a separate and individual cash flow-generating unit (CFGU), the determination of the recoverable amount was based on the value in use. Value in use was calculated using the discounted cash flow method, i.e., cash flow projections based on budgets and management's projections.

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By the decisions of the Board of Directors of the subsidiary companies TERNA S.A. and TERNA LEYKOLITHI S.A. of 23.12.2019 and 27.12.2019 respectively, it was decided to revoke the relevant decision regarding the merger, given that the company TERNA LEYKOLITHI S.A. decided that that it wanted to continue its production activity independently and go on operating as an independent entity. In the context of the above decision, the subsidiary TERNA LEYKOLITHI is reviewed for impairment purposes in accordance with the provisions of IAS 36 as an independent entity. According to its business plan and the determination of value in use, an impairment loss has arisen regarding the separate financial statements in respect of the value of the subsidiary TERNA LEYKOLITHI amounting to 8.991.

b. For the subsidiaries that are principally engaged in the holding of one or more investment properties, from which no income from leases arises (ex. Land plots), the recoverable amount was based on the fair value of the net assets, as determined by a study of independent valuers. Consequently, their impairment losses and/or reversals resulted in changes in the fair value of the investment property. In particular, the fair value of investment property is based solely on reports of independent valuers and is determined on a case-by-case basis, either individually or in combination, based on the method of depreciated replacement cost, the replacement cost method, the revenue capitalization method, the valuation method and the comparative data method.

The assumptions used for fair value measurement are analytically recorded above, in Note 11.

Assumptions used to determine value in use

For those cases where evidence of impairment was found, an impairment test was performed in accordance with the requirements of IAS 36. The recoverable amount of each CFGU is determined in accordance with the value in use calculation. Determination arises through the present value of the estimated future cash flows as expected to be generated by each CFGU (discounted cash flow method). This method of determining value in use is affected (sensitively) by the following key assumptions as adopted by the Management for the determination of future cash flows: (a) Preparation of business plans per CFGU: The calculations for determining the recoverable value of CFGU were based on the business plans approved by the Management, based on recently prepared budgets and estimates of the Management, regarding which budgeted operating profit margins and EBITDA are used as well as future estimates, using reasonable assumptions. b) The weighted average cost of capital (WACC): WACC reflects the discounted interest rate on future cash flows of each CFGU, according to which the cost of equity and the cost of long-term borrowing are weighed in order to calculate the total capital cost of the company capital. The discount rate used for the purposes of determining the value in use ranged from 6.4% to 10.8% per case.

Recoverable amounts sensitivity analysis

The Management is not currently aware of any other event or condition that would reasonably result in a potential change in any of the key assumptions on which the determination of the recoverable amount of CFGU was based. Nevertheless, on 31.12.2019, the Company analyzed the sensitivity of the recoverable amounts per CFGU in relation to a change in some of the key assumptions presented above. Indicatively, a change in a valuation by (i) 0.25 percentage points in WACC, (ii) 0.50 percentage points in EBITDA margin in perpetuity or (iii) 0.25 percentage points in growth rate in perpetuity can cause an impairment amount ranging from 2.0 million euros to a maximum of 4.5 million euros.

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12.4 Subsidiaries with significant percentage of non-controlling interests

The data and the accounts of the financial statements of the significant subsidiary, in which there are minority interests of third parties are as follows: they concern TERNA ENERGY S.A., in which as at 31.12.2019 GEK TERNA holds participating interest of 38.49% (31.12.2018: 38.37%). The scope of this subsidiary's operations is production of electricity from wind, hydroelectric power and other renewable sources and construction services.

The financial data of the consolidated sub-group TERNA ENERGY, in which the minority interest hold significant percentage are as follows:

	31.12.2019	31.12.2018
Percentage of non-controlling interests	61.51%	61.63%
Capital return and dividends paid to non-controlling interests	21,447	19,580
Statement of Financial Position		
Non-current assets	1,682,410	1,300,703
Current assets	435,988	345,566
(Long-term liabilities)	(1,430,595)	(997,955)
(Short-term liabilities)	(249,341)	(257,181)
Net fixed assets	438,462	391,133
Total equity attributable in non-controlling interests	(274,297)	(245,366)
Total equity attributable to the owners of the parent	164,165	145,767
Statement of Comprehensive Income		
Turnover	299,144	292,052
Shareholders of the parent from continuing operations	19,840	17,214
Non-controlling interests from continuing operations	33,405	29,839
Net Earnings	53,245	47,053
Shareholders of the parent from continuing operations	18,803	16,384
Non-controlling interests from continuing operations	31,768	28,519
TOTAL COMPREHENSIVE INCOME	50,571	44,903
Statement of Cash Flows		
Net cash flows from operating activities	168,751	137,291
Net cash flows from investing activities	(222,771)	(126,223)
Net cash (outflows) /inflows from financing activities	145,261	(47,137)
Net increase/(decrease) in cash and cash equivalents	91,241	(36,069)
Opening cash and cash equivalents	166,359	201,328
Effect of exchange rate changes on cash & cash equivalents	(136)	1,100
Closing cash and cash equivalents	257,464	166,359

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The above financial accounts are before consolidation entries of the broader Group.

13. PARTICIPATION IN ASSOCIATES

The Group has participations in affiliated companies that are classified as associates because of their significant influence and are consolidated in the consolidated financial statements on the basis of the equity method (the scope of operations and the Group's shareholdings in these investments are presented in Note 5 of the financial statements).

The Group, based on the associate's contribution to the Group's profits / (loss) before taxes, considered that each of the associates individually is immaterial and, therefore, it discloses in the table below only its aggregate share in these associates:

	GROUP	
	31.12.2019	31.12.2018
Profit/(loss) after tax from continuing operations	(214)	(72)
Other comprehensive income	(533)	(298)
Total comprehensive income	(748)	(370)
Total participating interest of the Group in the carrying amount of these associates	1,152	4,572

The movement of participations in associates in 2019 and 2018 is as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
Balance 1 January	4,572	4,873	4,800	4,741
Additions	0	76	0	76
Sales	0	(7)	0	(17)
Transfer to joint ventures (Note 14)	(2,672)	0	0	0
Results from the application of the equity consolidation method	(748)	(370)	0	0
Balance 31 December	1,152	4,572	4,800	4,800

Investments in associates also include the investments of the Group in ATHEX Company KEKROPS S.A. of the carrying amount in the Group standing at 1.066. The stock market value of KEKROPS S.A. as at 31.12.2019 was 14,175 (9,352 as at 31.12.2018).

On 04.09.2019, the Group (through its subsidiary TERNA ENERGY S.A.) purchased from MEL-M.A.E. 5,430 shares of EN.ER.MEL S.A. of nominal value Euro 10 each, which correspond to 0.82% of the total share capital of EN.ER.MEL. S.A.

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Following the acquisition, the total percentage of the investment amounted to 50% and the investment in EN.ER.MEL S.A. has been transferred from the item "Participations in Associates" to the item "Participations in Joint Ventures". This reclassification did not have any impact on the Group's equity and results as the investment was consolidated and continues to be consolidated using the equity method in accordance with the requirements of IAS 28.

14. INVESTMENTS IN JOINT ARRANGEMENTS

14.1 Investments in joint ventures

The Group holds rights in joint ventures, consolidated under equity method in accordance with the provisions of IAS 28 and presented in Note 5 to the Financial Statements.

Changes in investments in joint ventures in 2019 and 2018 are analyzed as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
Balance 1 January	51,443	49,834	5,159	7,320
Additions /(liquidations)	3,118	2,719	20	0
(Impairments)/Impairment recoveries recognized in the results	0	0	180	(1,253)
Capital increase	0	30	0	30
Capital decrease	(251)	(938)	(251)	(938)
Proportion in the change of equity	(7,689)	1,020	0	0
Effect of application IFRS 9	0	(1,222)	0	0
Transfer from/(to) Participations in associates (Note 13)	2,672	0	0	0
Transfer from/(to) investments in subsidiaries	123	0	0	0
Write off due to clearing	(22)	0	(4)	0
Balance 31 December	49,394	51,443	5,104	5,159

The most significant joint ventures included in this account are HERON II VOIOTIA S.A. and HERON THERMOELECTRIC S.A. (see Note 5). The total accounts and items of the financial statements of these significant joint ventures during the year 2019 are as follows:

	HERON II VOIOTIA SA	HERON THERMOELECTRIC SA
	25.00%	50.00%
	31.12.2019	31.12.2019
Interest		
Non-current assets	129,048	27,025
Cash and cash equivalents	12,348	10,363
Other current assets	38,055	159,162
Total assets	179,451	196,550

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Long-term financial liabilities (less trade and other liabilities and provisions)	68,600	759
Other long-term liabilities	22,457	1,820
Short-term financial liabilities (less trade and other liabilities and provisions)	13,566	489
Other short-term liabilities	33,135	138,476
Total liabilities	137,759	141,545
Net assets	41,692	55,005
Carrying amount of investments in financial statements	10,423	27,503
Turnover	144,363	462,343
(Depreciation / Amort.)	(10,951)	(3,275)
(Financial expenses)	(7,517)	(815)
Financial income	63	15
Tax expenses	(3,794)	(285)
Results from continuing operations	(32,197)	2,756
Other comprehensive income	(10)	(4)
Total Results	(32,207)	2,752
Share in the results of the Group	(8,049)	1,378
Share in the other comprehensive results of the Group	(3)	(2)
Share in the total comprehensive results of the Group	(8,052)	1,376

The respective accounts and items of the financial statements of these significant joint ventures during the year 2018 are as follows:

	HERON II VOIOTIA SA	HERON THERMOELECTRIC SA
	25.00%	50.00%
	31.12.2018	31.12.2018
Interest		
Non-current assets	158,657	23,487
Cash and cash equivalents	8,994	10,809
Other current assets	39,720	111,585
Total assets	207,371	145,881
Long-term financial liabilities (apart from trade and other	74,921	160
Other long-term liabilities	18,510	3,545
Short-term financial liabilities (apart from trade and other liabilities and provisions)	12,686	39
Other short-term liabilities	27,355	89,885
Total liabilities	133,472	93,629
Net fixed assets	73,899	52,252
Proportion in the net fixed assets	18,475	26,126

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Turnover	131,013	347,223
(Depreciation / Amort.)	(10,802)	(2,801)
(Financial expenses)	(5,891)	(639)
Financial income	46	13
(Expense)/Income from income tax	(2,443)	(2,469)
Results from continuing operations	(8,713)	6,734
Other comprehensive income	(17)	(41)
Total Results	(8,730)	6,693
Share in the results of the Group	(2,178)	3,367
Share in the other comprehensive results of the Group	(4)	(21)
Share in the total comprehensive results of the Group	(2,182)	3,346

During the years 2019 and 2018, no dividends were collected from the above joint ventures.

The major items of the Other Joint Ventures (with credit net equity), in their net equity, are as follows:

	31.12.2019	31.12.2018
Non-current assets	35,539	36,673
Current assets	7,514	4,462
Long-term liabilities	(8,746)	(9,497)
Short-term liabilities	(16,188)	(15,806)
Net fixed assets	18,119	15,832

	1.1-31.12.2019	1.1-31.12.2018
Turnover	6,367	5,739
Results from continuing operations	(652)	(729)
Other comprehensive income	42	24
Total results	(610)	(705)
Share in the results of the Group	(1,029)	(138)
Share in the other comprehensive results of the Group	16	(6)
Share in the total comprehensive results of the Group	(1,013)	(144)

The financial data of the joint ventures are based on financial statements prepared according to IFRS.

The account of participations in joint ventures include joint ventures with credit net equities.

14.2 Investments in joint operations – Proportional consolidation

The companies, accounted for using the proportionate consolidation method in the Company's consolidated and separate financial statements are analytically presented in Note 5. These companies pertain to joint operations, which do not constitute a separate entity under IFRS. Their assets and liabilities are consolidated, in accordance with the proportion of the participating interest, in the Group and Company financial statements.

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The following amounts are included in the consolidated and separate Financial Statements for FYs 2019 and 2018 and represent the Group's share in assets and liabilities and profit after tax of the jointly controlled entities:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Non-current assets	8,264	16,219	145	65
Other current assets	137,804	143,184	2,071	2,503
Total assets	146,068	159,403	2,215	2,567
Long-term liabilities	2,124	3,137	84	64
Other short-term liabilities	137,179	154,180	446	538
Total liabilities	139,303	157,316	529	602
Equity	6,765	2,087	1,686	1,966
Turnover	83,713	133,467	1,355	3,736
Total income after tax	2,433	5,336	339	2,389
Profit after tax	546	(21)	218	1,695

15. FINANCIAL ASSETS – CONCESSIONS

The Group, through its sub-group TERNA ENERGY, constructs and operates the following concession agreements:

A. Unified Automatic Fare Collection System: On 29.12.2014, a partnership agreement (PPP) for study, financing, installation, maintenance and technical management of a Unified Automatic Fare Collection System was signed between OASA (Athens Transport) Group and the Company's subsidiary "HST SA" for the companies of OASA Group. The total duration of the agreement is 12 years and 6 months. The construction and installation were completed in 2017, while during the first half of 2017, the operation started, which is expected to last 10 years and 4 months.

B. Urban Waste Treatment Plant of the Region of Epirus: On 21/07/2017 a partnership agreement (PPP) was signed between the EPIRUS REGION and the subsidiary company "AEIFORIKI EPIRUS MONOPROSOPI SPECIAL PURPOSE SOCIETE ANONYME", for the implementation of the project for the urban waste treatment plant of the Region of Epirus. The agreement is executed in two periods, the period of project and the service period and is of a duration of 27 years. The construction of the project was completed in the 1st quarter of 2019, when the service period started.

C. Urban Waste Treatment Plant of Region Peloponnisos: On 14.06.2018, a partnership agreement was signed between the Region of Peloponnisos and the subsidiary company "PERIVALLONTIKI PELOPONNISOU MONOPROSOPI S.A. for the implementation of the project for the urban waste treatment plant of the Region of Peloponnisos.

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The Partnership Agreement includes study, licensing, financing, construction, insurance, operation and maintenance of the Project for the next 28 years. The construction term is 24 months, and from the 10th month after the agreement enters into force, a transitional waste management plant is projected to alleviate the major problem of the Region. The construction of the project is expected to begin within the 2nd quarter of 2020 with the start of the service period.

Analytical information on the accounting policy followed and the concession agreements mentioned above is presented in Note 4.15.

The analysis of the changes of the generated Concession Financial Statements as well as the revenue per category are analyzed as follows:

Financial Assets - Concessions	Unified Automated System for Ticket Collection	Installation of civil waste processing Epirus Region	Installation of civil waste processing Peloponnese Region	Total
Opening balance 01.01.2018	26,463	-	-	26,463
(Decreases)/Increases in financial item	(5,674)	12,113	-	6,439
Reversal of repayment	4,049	123	-	4,172
Impairment under IFRS 9	(20)	(124)	-	(144)
Closing balance as of 31.12.2018	24,818	12,112	0	36,930
Opening balance as of 01.01.2019	24,818	12,112	-	36,930
(Decreases)/Increases in financial item	(4,496)	3,309	3,308	2,121
Reversal of repayment	4,132	1,154	-	5,286
Impairment under IFRS 9	(13)	84	-	71
Closing balance as of 31.12.2019	24,441	16,659	3,308	44,408
Analysis of revenues per category 2018				
Income from construction services	75	29,673	-	29,748
Income from operation services	8,802	-	-	8,802
Reversal of repayment	4,049	123	-	4,172
Total	12,926	29,796	0	42,722
Analysis of revenues per category 2019				
Income from construction services	2,131	5,621	3,308	11,060
Income from operation services	7,276	1,740	-	9,016
Reversal of repayment	4,132	1,154	-	5,286
Total	13,539	8,515	3,308	25,362

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Cumulative provisions for credit losses based on IFRS 9 amounted to 73 compared to 144 in the previous year, as in 2019 provisions of 73 were reversed and new provision of 2 were made.

16. OTHER LONG-TERM RECEIVABLES

The account "Other long-term receivables" on 31.12.2019 and 31.12.2018 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Loans to joint ventures and other related companies	36,491	35,827	179,138	138,990
Approved but not collected grants	10,441	10,441	0	0
Given guarantees	4,285	3,091	14	14
Withheld amounts of invoiced receivables	6,809	7,385	0	0
Other long-term receivables	31,837	31,991	12	11
Provision for impairment of long-term financial assets	(886)	(106)	(200)	0
Total	88,977	88,629	178,964	139,015

Regarding the account "Loans to joint ventures and other related companies" for the Company, within 2019, its participation in the concession companies CENTRAL GREECE MOTORWAY S.A. and NEA ODOS S.A. was converted into a bond loan of 59,000 and 85,801 (see Note 12). In addition, loans amounting to 29,900 were granted to affiliated parties, while loans amounting to 93,041 were collected, interest of 9,200 was accounted for and interest amounting to 8,299 was collected, while an amount of 42,409 was transferred to the account "Prepayments and other Receivables" as the amounts to be collected within the following 12 months.

An amount of 10,441 relates to an approved but not received subsidy of the magnesite industry. Regarding this amount of the grant, a business plan has been submitted and approved by the Ministry of Development. The file for the review of the grant is expected to be submitted by the end of June 2020.

Moreover the item "Other long-term receivables" mainly includes accrued income from agreements concerning sale of electricity from RES, with leasing elements.

Provisions for impairment of other long-term receivables under IFRS 9 are analyzed as follows:

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	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 31.12.2017	0	0	0	0
Revision due to adoption of IFRS 9	0	124	0	124
Balance 01.01.2018	0	124	0	124
Provision of credit loss for the period	0	157	0	157
Recovery of provision of credit loss for the period	0	(159)	0	(159)
Eliminations for the period	0	(18)	0	(18)
Foreign exchange differences	0	2	0	2
Balance 31.12.2018	0	106	0	106
	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	106	0	106
Provision of credit loss for the period	0	592	0	592
Recovery of provision of credit loss for the period	0	(112)	0	(112)
Eliminations for the period	0	(110)	0	(110)
Other transfers	0	410	0	410
Balance 31.12.2019	0	886	0	886
	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	0	0	0
Provision of credit loss for the period	0	204	0	204
Eliminations for the period	0	(4)	0	(4)
Balance 31.12.2019	0	200	0	200

17. INVENTORIES

The account "inventories" on 31.12.2019 and 31.12.2018 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Raw-auxiliary materials	4,273	5,595	0	0
Spare parts of fixed assets	4,753	4,252	0	0
Merchandise and Finished and semi-finished products	24,677	22,597	500	791
Property finished	23,253	18,798	0	0
Property to be developed	13,576	5,263	5,021	5,263
Property under construction	1,917	1,918	0	0
Impairment	(14,840)	(5,667)	(1,811)	(1,125)
Total	57,609	52,756	3,710	4,929

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In 2019, the Group proceeded with the acquisition of 100% of the share capital of five (5) companies domiciled in Holland, namely KASSIOPI BV, AVLAKI I BV, AVLAKI II BV, AVLAKI III BV and AVLAKI IV BV (see Note 7.2). The transaction has resulted in the increase in the Property to be developed category by 8.6 million euros.

The Group during the annual review of the net realizable value of its inventories and property, identified, following a relevant study performed by independent appraisers, impairments on the value of commercial properties in Bulgaria and Greece, which are included in the real estate segment, and recognized the arising loss of 671 (2.509 in 2018) at the Group level in the account "Other income/(expenses)" in the Statement of Comprehensive Income.

The account "Finished and semi-finished relate mainly pertains to mined magnesite ore (processed and unprocessed).

Furthermore with regard to the products of the operating segment of industry/mines, following an impairment test, a loss of 4,468 (976 in 2018) was recognized in the account "Other income/(expenses)" in the Statement of comprehensive income.

With regard to other operating segments of the group, a loss of 32 (116 in 2018) was recognized in the account "Other income/(expenses)" in the Statement of comprehensive income.

As a total, the Group recognized under the annual procedure of reviewing the net realizable value of inventories and real estate items the amount of loss standing at 5.171 (3.601 in 2018) in the account "Other income/(expenses)" in the Statement of comprehensive income (see Note 40).

Regarding the Company, within the current year, a loss of 801 (1.125 in 2018) was recognized) in the account "Other income/(expenses)" in the Statement of comprehensive income (see Note 40).

With the exception of the above cases, there was no need for impairment of inventories on 31.12.2019. The inventories are not burdened with liens.

18. TRADE RECEIVABLES

The trade receivables of the Group and the Company on 31.12.2019 and 31.12.2018 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Trade receivables	315,035	311,451	3,377	2,963
Customers – Doubtful and litigious	15,218	14,962	317	317
Notes / Checks Receivable overdue	868	868	0	0
Checks Receivable	2,320	1,025	0	0
Minus: Provisions for doubtful trade	(35,846)	(33,871)	(1,058)	(1,130)
Total	297,595	294,435	2,636	2,150

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The above trade receivables also include trade receivables from the Energy segment amounting to 55,917 (56,073 on 31 December 2018), which are pledged to banks as security against provided long-term and bond loans to finance the construction of Wind Parks.

The book values of trade receivables represent their fair value.

At every reporting date, the Group tests the receivables for any impairments, in accordance with the requirements of IFRS 9 and the expected credit losses. The maximum exposure to credit risk on the financial statements reporting date is the book value of every category, collectible as mentioned above. Provisions for impairment of trade receivables for the years 2019 and 2018 are analyzed as follows:

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 31.12.2017	0	0	31,167	31,167
Revision due to adoption of IFRS 9	0	132	2,147	2,279
Balance 01.01.2018	0	132	33,314	33,446
Provision of credit loss for the period	0	602	4,153	4,755
Recovery of provision of credit loss for the period	0	0	(2,107)	(2,107)
Eliminations for the period	0	0	(260)	(260)
Other transfers	0	0	(2,000)	(2,000)
Foreign exchange differences	0	10	26	36
Balance 31.12.2018	0	745	33,126	33,871

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	745	33,126	33,871
Provision of credit loss for the period	0	655	2,990	3,645
Recovery of provision of credit loss for the period	0	(883)	(685)	(1,568)
Eliminations for the period	0	0	(425)	(425)
Other transfers	0	0	299	299
Foreign exchange differences	0	5	19	24
Balance 31.12.2019	0	522	35,324	35,846

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 31.12.2017	0	0	380	380
Revision due to adoption of IFRS 9	0	0	292	292
Balance 01.01.2018	0	0	672	672
Provision of credit loss for the period	0	37	422	459
Recovery of provision of credit loss for the period	0	(1)	0	(1)
Balance 31.12.2018	0	37	1,094	1,130

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	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	37	1,094	1,130
Provision of credit loss for the period	0	28	66	94
Recovery of provision of credit loss for the period	0	(33)	0	(33)
Eliminations for the period	0	0	(133)	(133)
Balance 31.12.2019	0	32	1,027	1,058

The following table analyzes the total of trade receivables as well as the maturity of outstanding post dated trade receivables:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Non outstanding balances	266,002	177,308	1,013	1,154
Outstanding balances	67,440	150,998	2,680	2,126
Total trade receivables	333,441	328,306	3,694	3,280

The maturity of outstanding post dated trade receivables is analyzed as follows:

	GROUP 2019					
	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	266.002	7.804	17.174	10.193	32.269	333.441
Expected credit loss	(602)	(752)	(143)	(7,250)	(27,098)	(35,846)
	GROUP 2018					
	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	177,308	33,821	67,905	15,313	33,959	328,306
Expected credit loss	(991)	(1,070)	(1,601)	(4,847)	(25,362)	(33,871)
	COMPANY 2019					
	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	1,013	225	690	638	1,127	3,694
Expected credit loss	0	0	0	0	(1,058)	(1,058)
	COMPANY 2018					
	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	1,154	675	131	15	1,305	3,280
Expected credit loss	0	0	0	0	(1,130)	(1,130)

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The non-post-dated amounts include an amount of 64.5 million euros (78.9 million euros as at 31.12.2018), which relates to withholdings for good performance (retained guarantees).

As a total, as far as the Group is concerned, impaired and post-dated receivables for longer than 12 months stand at 8,114 for the Group and at 69 for the Company. These receivables relate to Public Bodies, Related Parties and Third Parties and are, according to the Management's estimates, recoverable.

In the context of the Group's operations, necessary measures are taken on a case basis to ensure collecting the receivables.

Finally, the factor, ensuring collectibility of balance, us the received prepayments concerning construction contracts, which on 31.12.2019 amounted to 163.7 million euros (281.4 million euros as 31.12.2018).

19. RECEIVABLES / LIABILITIES FROM CONTRACTS WITH CUSTOMERS

The receivables from contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Receivables from construction contracts with customers	91,510	200,056	0	195
Receivables from other contracts with customers	17,493	15,308	178	116
Less: Impairments of receivables from contracts with customers	(10,465)	(6,101)	(1)	0
Total	98,538	209,263	177	311

The provisions for impairment of receivables from contracts with customers are analyzed according to the new standard IFRS 9 as following:

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 31.12.2017	0	5,979	0	5,979
Revision due to adoption of IFRS 9	0	(65)	0	(65)
Balance 01.01.2018	0	5,914	0	5,914
Provision of credit loss for the period	0	262	(75)	187
Balance 31.12.2018	0	6,176	(75)	6,101

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	6,176	(75)	6,101
Provision of credit loss for the period	0	4,507	27	4,534
Recovery of provision of credit loss for the period	0	(171)	0	(171)
Other transfers	0	1	0	1
Balance 31.12.2019	0	10,513	(48)	10,465

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	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	0	0	0
Other transfers	0	1	0	1
Balance 31.12.2019	0	1	0	1

In 2017, the Group launched a lawsuit, claiming contractual claims (plus interest and arbitration costs) relating to a construction project carried out by the TERNA sub-Group (through its TERNA Contracting subsidiary) in Bahrain. At that time, the amount of the Group's recognized non-invoiced receivables from the execution of the specific construction contract amounted to Euro 15.4 million (BH 6.5 million). On 31.12.2019, the Group on the above balance has recognized cumulative provisions for possible credit losses of Euro 10.5 million (BD 4.6 million), of which Euro 4.5 million (BD 1.9 million) was recognized within the current fiscal year. The multi-page court decision of the ICC International Court of Arbitration was issued on 25.05.2020 and states that the amount of Euro 11.1 million (BD 4.7 million) is awarded for the benefit of the Group. At the date of approval of the attached financial statements, the process of studying and evaluating the relevant text of the decision by the legal advisors and the Management for the accurate measurement of the amount awarded to the Group is in progress. By 2020, upon completion of this process, the Management will consider reversing part of the already recognized credit loss forecasts (which reversal may amount to as much as Euro 6.5 million - BD 2.8 million).

The liabilities in relation to contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Customer advances	109,817	208,605	475	84
Non-completed liabilities from construction contracts	93,841	92,448	89	0
Total	203,658	301,053	564	84

The changes in Receivables and liabilities from Contracts with customers within the current fiscal year are due to the following factors:

Receivables from contracts with customers	GROUP
Balance 01.01.2018	178,049
Effect due to execution of existing contracts	25,331
Income for the period from new contracts	11,053
Foreign exchange translation differences for the period	931
Balance 31.12.2018	215,364

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Balance 01.01.2019	215,364
Effect due to execution of existing contracts	(109,900)
Income for the period from new contracts	3,148
Foreign exchange translation differences for the period	391
Balance 31.12.2019	109,003

Liabilities due to contracts with customers	GROUP
Short term part	179,467
Long term part	6,505
Balance 01.01.2018	185,972
Effect due to execution of existing contracts	(94,622)
Income for the period from new contracts	0
Foreign exchange translation differences for the period	1,098
Balance 31.12.2018	92,448

Balance 01.01.2019	92,448
Effect due to execution of existing contracts	(21,653)
Income for the period from new contracts	22,972
Foreign exchange translation differences for the period	75
Balance 31.12.2019	93,841

The contractual obligations of the Group amounted to 93,841 (92,448 on 31.12.2018). Revenue recognized in 2019, which relates to contractual obligations that existed on December 31, 2018, amounts to 92,448.

20. PREPAYMENTS AND OTHER RECEIVABLES

The "Prepayments and other receivables" on 31st December 2019 and 31st December 2018 in the accompanying financial statements are analyzed as follows:

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	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Prepayments and other short-term non-financial receivables				
Advances to suppliers	35,518	67,031	0	14
VAT for rebate – offsetting	32,871	25,609	635	277
Receivables from Wind Parks’ grants	1,479	1,479	0	0
Prepayment to insurance funds (Social Security Organization of technical works)	4,942	3,944	0	0
Accounts for the management of prepayments and credits	2,026	2,034	0	0
Receivables from other taxes other than income tax	1,921	1,877	1,919	1,874
Other deferred and prepaid expenses	15,620	15,617	1,305	1,234
Other transitory asset accounts	288	359	0	0
Total	94,665	117,950	3,859	3,400

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Other short-term financial receivables				
Receivables from J/V, related companies and other associates	7,536	9,592	2,853	19,699
Short-term part of granted long-term loans	424	0	42,783	0
Financial receivables from other various debtors	8,422	5,376	136	185
Receivables from to indemnities in relation to concession projects	10,250	17,539	0	0
Operational support of Concession projects	29,689	21,999	0	0
Receivables from Greek State and Municipalities	4,118	3,879	0	0
Blocked bank deposit accounts	51,547	63,908	7,235	19,118
Doubtful – Litigious other receivables	1,132	1,132	0	0
Less: Impairments of other short-term financial receivables	(13,510)	(11,711)	(1,185)	(1,139)
Total	99,609	111,715	51,822	37,862
Total prepayments and other receivables	194,274	229,665	55,681	41,263

The Group includes in the account “Operational Support for Concession Contracts” the Operational Support that the subsidiary concession company CENTRAL GREECE MOTORWAY receives from the Greek State for every Calculation Period (calculation on a semi-annual basis starting from 1.1.2016) and defined as the difference between the sum of eligible project expenses and distributed base performance, deducting the net income for every Calculation Period. According to the Concession Agreement, Operational Support received by the Company constitutes gross income for income taxation purposes and is not subject to withholding tax and is charged with the corresponding VAT. (See Note 33.2).

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Furthermore, "Receivables from Wind Farms Grants" amounting to 1,479 concern investments of the Group in wind farms, which are expected to be collected with the final approval of the completion of the relevant investment programs.

The account "Receivables from Indemnities in relation to Concession Projects Compensations of Concessions Projects" includes reimbursement of revenue in 2019. Within the current year, reimbursement amounting to 17,239 was collected regarding 2018.

The account "Short-term part of granted long-term loans" includes receivables from loan agreements from the subsidiaries of the concessions of NEA ODOS S.A. and CENTRAL GREECE MOTORWAY S.A., payable within the next 12 months.

The movement in the provision for impairment of these current assets of the Group and the Company, following the application of the requirements of IFRS 9, is as follows:

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 31.12.2017	0	0	11,790	11,790
Revision due to adoption of IFRS 9	0	94	1,207	1,301
Balance 01.01.2018	0	94	12,997	13,091
Provision for impairment loss in the period	0	342	2,005	2,347
Recovery of provision of credit loss for the period	0	(101)	(4,856)	(4,957)
Eliminations for the period	0	0	(787)	(787)
Other transfers	0	0	2,000	2,000
Foreign exchange translation differences	0	13	4	17
Balance 31.12.2018	0	348	11,364	11,711

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	348	11,364	11,711
Provision for impairment loss in the period	0	29	3,389	3,418
Recovery of provision of credit loss for the period	0	(175)	(517)	(692)
Eliminations for the period	0	0	(940)	(940)
Other transfers	0	0	9	9
Foreign exchange translation differences	0	0	4	4
Balance 31.12.2019	0	202	13,309	13,510

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 31.12.2017	0	0	1,000	1,000
Revision due to adoption of IFRS 9	0	94	0	94
Balance 01.01.2018	0	94	1,000	1,094
Transfers between stages	0	(94)	94	0
Other transfers	0	0	45	45
Balance 31.12.2018	0	0	1,139	1,139

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	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	0	0	1,139	1,139
Provision for impairment loss in the period	0	5	32	37
Other transfers	0	0	9	9
Balance 31.12.2019	0	5	1,180	1,185

21. EQUITY INTEREST

The movement of investments in equity interest in 2019 and 2018 is analyzed as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
Balance 1.1.	48,135	47,461	48,049	47,442
Additions / (Reductions)	596	67	0	0
Adjustment at fair through the Other Comprehensive Income	16,703	607	16,703	607
Balance 31.12.	65,434	48,135	64,752	48,049

All the above investments refer to shares of unlisted securities, analytically described in Note 49. Profit from fair value measurement was included in Other Comprehensive Income account in the Statement of Comprehensive Income, not reclassified in the Income Statement in later periods.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS

Financial assets at fair value through profit & loss are depicted as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
Balance 1.1.	1,264	3,070	1,264	3,070
Disposals	(1,243)	(714)	(1,243)	(714)
Earnings / (losses) from valuation at fair	3,386	(3,218)	3,386	(3,218)
Reclassification due to adoption of IFRS 9	0	2,126	0	2,126
Balance 31.12.	3,407	1,264	3,407	1,264

As at 31.12.2019, the Group and the Company held shares of banking institutions of total acquisition value of 4,549 (5,792 as at 31.12.2018).

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Within 2019, the result arising regarding the Company from the disposal of shares recorded a loss of 291 (loss 227 for 2018) which was recognized in the Income Statement in the account «Profits / (losses) from the disposal of participations & other equity interests ».

As at 31.12.201, the mutual funds and the shares of the Group and the Company were valued at 3,407 in total, 183 and 3,324 respectively (135 and 1,129 as at 31.12.2018 respectively), at market prices.

23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents on 31 December 2019 and 31 December 2018 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Cash in hand	2,250	4,347	29	32
Sight Deposits	589,137	468,702	77,910	17,292
Term Deposits	3,284	50,193	0	31,000
Total	594,671	523,242	77,939	48,323

Term deposits have a usual duration of 3 months and carry interest rates ranged during the year between 0.2%-1% (0.48%-1% in the previous year respectively).

The Group's cash and cash equivalents include amounts for repayment from subsidiary companies of 3,024 (3,024 in 2018) relating to the grants received due to the cancellation of the construction or the expiry of the time limits of the inclusion decisions of certain wind parks.

The aforementioned amount of the grant to be returned has not been returned until the date of approval of the accompanying financial statements, as the relevant audit by the competent authorities has not been completed.

Furthermore, the Group has blocked deposits amounting to 51,547 (63,908 in the previous year), which are held in specific bank accounts in order to settle its short-term operating and financial liabilities. These blocked deposits are classified in the account "Advances and other receivables".

24. LONG-TERM LOANS

The long-term loans in the accompanying separate and consolidated financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Long-term loans	1,893,896	1,713,363	351,359	388,549
Less: Long term liabilities payable during the next financial year	(105,123)	(145,575)	(12,118)	(15,701)
Long-term part of loan	1,788,773	1,567,788	339,241	372,848

The repayment period of long-term loans is analyzed in the following table:

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	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Up to 1 Year	105,123	145,575	12,118	15,701
Between 1 - 5 Years	509,889	552,276	92,811	289,848
Over 5 Years	1,278,884	1,015,512	246,430	83,000

The total financial cost of long-term and short-term loan liabilities, for the fiscal year 2019 and the corresponding comparative fiscal year 2018, is included in the account "Net financial income / (expenses)" of the consolidated and separate Income Statement. The average interest rate of the Group for the fiscal year ended 31.12.2019 stood at 5.38% (31.12.2018: 5.59%).

The Group's long term debt is by 90.49% in euro (85.11% at the end of the previous year), by 1.77% in PLN (2.84% at the end of the previous year) and by 7.74 % in USD (12.05% at the end of the previous year), and represents approximately 93.23 % of the Group's total debt (92.58% at the end of the previous year). The long term debt mainly covers financing needs for the investments of construction and energy segments of the Group.

Within the year 2019, the amount of 482.56 million euros (404.10 million euros in 2018) was repaid for long-term bank debt, whereas the amount of 615.05 million euros (535 million in 2018) was collected from new bank loans.

It is noted that the total borrowing includes subordinated, non-recourse loans of the amount of 1,573.3 million euros (versus 1,363.7 million euros on 31.12.2018), while the amounts of loans redeemable to the parent company stood at 458 million euros (versus 475.1 million euros on 31.12.2018).

Significant changes in the Group's loans for the year ended 31.12.2019 are described in the following paragraphs.

(a) Loans of the Company (GEK TERNA)

As at 31.12.2019, the total loan liabilities of the Company stand at 351,359, of which an amount of 147,544 pertains to bank loans, an amount of 118,926 pertains to the common negotiable bond loan and an amount of 84,889 - to intra-group loans, of which an amount 12,118 pertains to long-term loan liabilities payable over the next 12 months.

On 06.12.2019, the Company signed a new Bond Loan program with creditor banks amounting to 130,000. This loan was disbursed on 20.12.2019 and refinanced the total pending balance of 113.130 from the 194 million CBL as of 01.12.2017.

Additionally within the fiscal year, the Company repaid the bank loan obligations amounting to 125,413 and intra-group loan obligations amounting to 40,543.

Issuance of Common Bond Loan (CBL) amounting to Euro 120 million:

At the meeting of the Hellenic Capital Market Commission on 21.03.2018, the Company's Prospectus for the public offering with cash payment and the admission to trading on the Athens Stock Exchange of up to 120,000 common bonds of total amount of 120 million euros was approved.

The characteristics of the aforementioned loan are as follows: (a) bond yields are 3.95% and are stable over the life of the loan; (b) the interest period is six months; and (c) its duration is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. The new CBL provides for the observance of financial ratios at each reporting date of the financial statements (six-month and annual) with a commencement date the 31.12.2019.

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(b) Loans of the sub-group TERNA ENERGY

The loans of TERNA ENERGY sub-group pertain to financing its business activities and mainly concern financing construction and operation of installations in relation to renewable energy sources. As at 31.12.2019, of the total bank loan liabilities of TERNA ENERGY sub-group standing at 1,013,185, an amount of 123,648 corresponds to bank loans of the parent company, of which an amount of 68,972 concerns loans guaranteed by subsidiaries of the TERNA ENERGY sub-group. Regarding the other loan liabilities of the group, an amount of 654,950 corresponds to loan liabilities, for which no guarantee has been provided by the parent or other company of the sub-group and an amount of 87,577 corresponds to bank loan liabilities, for which the guarantee has been provided by TERNA ENERGY S.A. or other of the sub-Group's subsidiaries. TERNA ENERGY S.A. has also provided a guarantee for the common bond loan of TERNA ENERGY FINANCE issued in 2019, of a total non-depreciable value on December 31 amounting to 147,010.

During the fiscal year 2019, the sub-group refinanced part of its bank loan liabilities in Greece and the USA, improving its financing conditions regarding the borrowing costs. The Management has amended or derecognized the related borrowings, in accordance with IFRS 9, recognizing in the income statement for the year a total benefit of 2.193. The renegotiation of interest rates on part of the Group's loan liabilities in the USA was carried out as part of the acquisition of Bearkat I wind farm in September 2019 and a gain of 17,976 was recognized as a reduction of the acquisition price (see Note 7).

Significant changes in the sub-group and the Company loan liabilities as at 31.12.2019 are recorded in the following paragraphs.

New borrowings

In 2019, a new loan of 801.607 was issued by the sub-group, TERNA ENERGY of which 146.146 was raised from the market (CBL 2019) and the amount of 655,461 - from financial institutions. The liquidity received was mainly used for financing investments in wind farms of subsidiaries, and repayment of short-term bank loans, issued in order to finance timely implementation of their construction schedule, namely:

- i. Regarding the wind parks in Greece, sub-group TERNA ENERGY issued the following bank loans:
 - A bond loan of nominal value 116,881 was issued through the subsidiary TERNA ENERGY AI-GIORGIS S.A. This long-term bond loan refinances the effective loan of an unamortized amount of 81.881.
 - A bond loan of nominal value 235,806 was issued through eight (8) other subsidiaries of sub-group TERNA ENERGY in Greece and the parent company, of which an existing loan of 78,860 was repaid.
- ii. Regarding the wind parks in the USA, sub-group TERNA ENERGY issued the following bank loans:
 - A short-term loan of 91,316 was issued for the tender regarding completion of the construction of "Fluvanna II" wind farm in Texas USA of the subsidiary FLUVANNA WIND ENERGY 2, which was repaid in the third quarter of 2019, with the completion of construction and financing by Tax Equity Investor (Berkshire Hathaway).
 - Total loan of 60,913 was received from a subsidiary of the sub-group TERNA ENERGY, which is distinguished into a long-term loan of 57,296 (63,357 k dollars) and a short-term loan of 3,617 (4,000 k dollars) used in order to finance the acquisition of the wind park "Bearkat I"». The remaining amount was covered by the short-term loan issued in 2019 by TERNA ENERGY amounting to 52,000.

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- iii. A short-term domestic bank loan of 60,000 was issued by the sub-group TERNA ENERGY, which was used to repay the Intra-Group Loan 2017 on 17.07.2019, with the ultimate amount due from the repayment of 2017 that was fully repaid through the capital proceeds from CBL 2019. Moreover, a short-term loan of 30.000 was issued by TERNA ENERGY S.A., while short-term loan of 42.000 was repaid.

Early Repayment of the Common Bond Loan of TERNA ENERGY MAEX amounting to Euro 60 m

In 2017, TERNA ENERGY MAEX issued a 60.000 Common Bond Loan, following the decision of its Board of Directors dated as at 27.06.2017 and the decision of the Hellenic Capital Market Commission as of 12.07.2017, approving the contents of the Prospectus, which was fully covered.

On 22.07.2019, in compliance with its announcement as of 07.06.2019, TERNA ENERGY MAEX prepaid the total nominal value of the bonds it has issued and allocated via a public offering, pursuant to the Ordinary Bond Loan Issuance Program as of 12.07.2017 up to an amount of 60,000 and also pursuant to the Agreement for Appointment of a Bondholders' Representative (the "CBL Plan"), according to the provisions of the term 4 of the above Plan ("Prepayment"). In the context of the prepayment and according to the provisions of the CBL Plan, on 22 July, 2019 the total nominal value of the bonds, the accrued interest effective till then and an additional prepayment amount equal to 1% of the nominal value of the prepaid bonds, amounting to 600 (i.e. 10 euros gross amount per bond) were paid.

Following the aforementioned, the obligations of TERNA ENERGY MAEX to Bondholders arising from CBL 2017 were fully settled within 2019.

Common Bond Loan of TERNA ENERGY MAEX amounting to Euro 150 m (CBL 2019)

In compliance with the Finance Prospectus as of 10.10.2019 and as of 10.10.2019 Bond Loan Issue Plan up to Euro 150 million and pursuant to the Agreement for Appointment of a Bondholders' Representative (the "CBL Plan"), between TERNA ENERGY MAEX S.A. (the Issuer), TERNA ENERGY S.A. (the Guarantor) and ATHEXCSD S.A. (Bondholders' Representative), provisions are made for the issue of a CBL with a term of seven (7) years and amounting to one hundred and fifty million Euro (Euro 150.000 k), divided into up to 150,000 intangible, common anonymous bonds with a nominal value of Euro 1,000 each. On 22.10.2019, the Company's Board of Directors announced that the proceeds of the Public Offer amounted to Euro 150 million listing the Company's bonds for trading in the ATHEX Regulated Market Securities Category. In particular, 150,000 common, bearer bonds of the Company with a nominal value of Euro 1,000 (the Bonds) each have been allocated and as a result capital of an amount of Euro 150 m. has been raised. The final yield of the Bonds was set at 2.60%, the Bond rate at 2.60% and the Loan Disposal Price at Euro 1,000 each, i.e. 100% of its nominal value. The final registration of the bonds in the Beneficiary Accounts of the Intangible Securities System was completed on 22.10.2019. To secure the Company's loan, corporate guarantee was provided by TERNA ENERGY S.A.

Under the terms of the Common Bond Loan Issue Plan of up to Euro 150.000.000 and the Bondholders' Representative Appointment Agreement dated 10.10.2019, the raised funds of 150,000 will be invested by TERNA ENERGY MAEX to TERNA ENERGY S.A. through the Intra-group Loan («Intragroup Loan 2019»). On 21.10.2019, TERNA ENERGY S.A. issued a bond loan under Law 3156/2003, within the frame of the Intragroup Loan Scheme, which was covered by TERNA ENERGY MAEX for an amount of 146,632. This way, the respective amount of the CBL was transferred to TERNA ENERGY S.A., thus lending the equal amount of the capital proceeds to TERNA ENERGY MAEX, so that the latter could use it in respect of its investment plan.

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As at 31.12.2019, the outstanding amount of CBL 2019 of TERNA ENERGY MAEX stands at 147.010.

(c) Loans of the sub-group TERNA

As at 31.12.2019, bank loans of TERNA Group stood at 156,275. Within the year, TERNA Group repaid bank loan liabilities of 20.925.

TERNA Bond Loan of Euro 127.3 million for refinancing its existing loan liabilities and acquisition of FERROVIAL

On December 7, 2018, the TERNA Group signed a 127.3 million secured Bond Loan Program with Greek Credit Institutions for the purpose of: a) refinancing existing bank loans of Euro 42 million and b) financing (through GEK TERNA parent company) of the acquisition of the shares of FERROVIAL in the Concession Companies "NEA ODOS SA" and "CENTRAL GREECE MOTORWAY S.A." and in the Consortium under the title "FERROVIAL JOINT VENTURES SA - GEK TERNA SOCIETE ANONYME OF HOLDINGS AND PROPERTIES".

The main terms of the Program provide for the following: (a) the maturity of the 8-year loan maturing in July 2026; (b) the six-month interest period with an interest rate of 6M Euribor with an annual surcharge of 3.75% (depending on the interest periods, (c) the balloon payment of 50.2% with the last installment and (d) the maintenance of financial ratios by the guarantor GEK TERNA, similar to those agreed with the Common Bond Loan (CBL) amounting to Euro 120 million, issued in April 2018 by the guarantor GEK TERNA.

On 10.12.2018, the total amount was fully covered (two series of Bonds A & B) of the above-mentioned signed, Secured Bond Loan, which was signed on 07.12.2018, by the Greek Credit Institutions and the purpose of it to refinance existing lending, was fulfilled.

Apart from the aforementioned, no other significant changes took place regarding the Group's loans within the year ended as at December 31st, 2019.

(d) Loans of motorways concession companies

As of 31.12.2019, the bank bond loans of the companies NEA ODOS and CENTRAL GREECE MOTORWAY amount to 489,351, of which an amount of 9,559 concerns loan obligations payable next year. The companies NEA ODOS SA and CENTRAL GREECE MOTORWAY SA have entered into bond loan agreements amounting to 241,700 and 470,915 respectively, in order to cover their needs for approved project costs during the construction period T1.

Within the fiscal year 2019, the above companies repaid the bank loan liabilities standing at 9,482.

B. Loan guarantees

To secure some of the Group's loans and other affiliated companies:

- Wind parks' generators have been pledged for an amount of 1.398.600 (31.12.2018: 999.390),
- Insurance contracts and receivables from the sale of electric energy to LAGIE or DEDDIE as well as from construction services, motorways concession contracts end cash equivalence have been forfeited to lending banks,

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- Lien mortgages of various series have been written on the real estate of some of the Group's companies amounting to 26.541 (31.12.2018: 40.805) and,
- Shares and secondary loans of subsidiaries and other related companies with a nominal value of 70.874 (31.12.2018: 230.571).
- Receivables form grants standing at 10.440 of a Group's subsidiary has been pledged.

From a total loan of the sub-group of TERNA ENERGY, an amount of 358,235 corresponds to loan liabilities for which either its parent company TERNA ENERGY SA or another subsidiary have provided a guarantee.

The table below presents the changes in the Group and Company's long-term loans within the year:

Long-term loans	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Opening balance	1,713,363	1,597,052	388,549	239,769
Capital withdrawals / (payments)	132,489	130,921	(35,956)	148,539
Interest payments	(76,261)	(72,757)	(17,785)	(14,257)
Consideration settled in bank borrowings due to acquisition of new entity (note 7.1)	60,913	0	0	0
Foreign exchange differences	3,826	6,576	0	0
Loan interest in financial results (note 44)	74,643	76,236	16,342	14,395
Other loan interest (capitalized etc.)	3,865	776	0	776
Change due to sale of subsidiary	0	(35,681)	0	0
Change due to acquisition of new entity (Note 7.1)	(17,975)	0	0	0
Transfers	(967)	10,240	209	(674)
Closing balance	1,893,896	1,713,363	351,359	388,549

The Group has the obligation to maintain specific financial ratios relating to bond loans. As at 31 December, the Group was in full compliance with the required limits of these ratios, apart from long-term loans of total unamortized amount of 22,290. An amount of 12,050 of the RES operating sector was reclassified on 31 December 2018, while an amount of 10,240 of the industry sector was reclassified on 31 December 2019 from the Long-Term to the Short-term Liabilities due to non-compliance with specific financial ratios of the relevant agreements, as defined in the provisions of IAS 1. On 23.12.2019, the subsidiary TERNA LEFKOLITHI SA signed an agreement for the issuance of a common collateral secured bond loan amounting to 35,613, which refinances the existing bond loan of 10,240 and refinances the exiting short-term loan into long-term loan. This loan was disbursed in March 2020 and, thereafter, the amount of 10,240 was reclassified into long-term borrowings. Apart from the aforementioned, the Group Management has taken all necessary steps to eliminate the reasons for non-compliance. However, until the date of approval of the Financial Statements, the necessary waivers have not been received from the creditor banks regarding these loans.

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25. LEASE LIABILITIES

Lease liabilities as at 31 December 2019 and 31 December 2018 are analyzed as following in the accompanying financial statements:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Liabilities from bank leases (long-term)	506	6,547	0	0
Liabilities from bank leases (short-term)	6,342	5,335	0	0
Sub-total of bank leases (a)	6,848	11,882	0	0
Liabilities from third parties leases (long-term)	13,109	0	383	0
Liabilities from third parties leases (short-term)	3,832	0	83	0
Sub-total of third parties leases (b)	16,941	0	466	0
Total leases (a)+(b)	23,789	11,882	466	0

The repayment period regarding lease liabilities is analyzed in the tables below as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Up to 1 Year	10,175	5,335	83	0
Between 1 - 5 Years	6,751	6,547	304	0
Over 5 Years	6,863	0	78	0

As of January 1, 2019, according to the provisions of IAS 17, when IFRS 16 was adopted, finance lease liabilities included in borrowings are classified in the lease liabilities. Changes in these liabilities in 2019 and 2018 are presented below as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Liabilities from leases				
Opening balance	11,882	16,770	0	0
Effect due to change in accounting policies (note 2.6.3)	17,885	0	331	0
Re-adjusted opening balance 01.01.2019	29,767	16,770	331	0

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Repayments of lease contracts	(10,285)	(4,853)	(64)	0
Payments of interest	(982)	(707)	(18)	0
Liabilities from new contracts	5,219	0	199	0
Foreign exchange differences	67	0	0	0
Financial cost for the period (note 44)	1,393	709	18	0
Transfers	0	(37)	0	0
Termination of lease	(1,390)	0	0	0
Closing balance	23,789	11,882	466	0
Long-term liabilities from leases	13,615	6,547	383	0
Short-term liabilities from leases	10,174	5,335	83	0

26. EQUITY INTERESTS HAVING A SUBSTANCE OF FINANCIAL LIABILITY

The accounting policy, applied in respect of these financial liabilities, is presented in Note 4.13.5 (iii).

In the USA, in order to make the best use of the tax benefits provided by local legislation, the sub-group TERNA ENERGY has entered into agreements with "Tax Equity Investors" investors (hereinafter "TEI"). According to these agreements, the cash flows and tax benefits generated by wind farms are contractually distributed amongst TEI investors and sub-group TERNA ENERGY.

Equity instruments having a substance of financial liabilities (long and short-term component) as December 31st 2019 and 2018 are analyzed in the accompanying Financial Statements as follows:

	GROUP	
	31.12.2019	31.12.2018
Financial liabilities	272,582	111,187
Deferred income (*)	51,825	26,916
Long-term part	324,407	138,103
Long-term financial liabilities payable in the following year	51,365	22,287
Short-term part	51,365	22,287
Total	375,772	160,390

(*) The item pertains to the value of financial losses attributable to Tax Equity Investors and is recognized in other income for the year, on a pro rata basis according to the estimated period of investor's stay in the investment scheme.

Changes in equity instruments having a substance of financial liabilities are analyzed as follows in the Statement of Financial Positions:

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Financial liabilities	GROUP	
	2019	2018
Balance 1 January	133,474	136,815
Collectibles from TEI	120,718	-
Cash distribution from TEI	(6,662)	(3,405)
Addition from acquisition of entity(note 7.1)	113,685	0
Value of tax benefits	(53,673)	(18,596)
Interest for the period (Note 44)	15,885	12,627
Foreign exchange differences	520	6,033
Balance 31 December	323,947	133,474

Deferred income	GROUP	
	31.12.2019	31.12.2018
Balance 1 January	26,916	22,555
Value of tax benefits	31,140	6,479
Amortization of tax benefits (Note 40)	(6,663)	(3,262)
Foreign exchange differences	432	1,144
Balance 31 December	51,825	26,916

Financial liabilities are measured at amortized cost using the effective interest method. This liability is decreased by the distribution of cash received by the TEI and, depending on the terms of the contract and the value of the tax benefits.

In 2019, the value of tax losses attributable to TEI and recognized in other income (Note 40), based on the straight-line method over the term of the contract, amounts to 6.663 (2018: 3.262). The value of PTCs, which are linked to the wind farm's annual energy production based on actual production, is recognized in turnover and amounts to 22,533 (2018: 12,117).

- **Financial liability to TEI Met Life:**

The unamortized balance of the Group's liability to TEI Met Life as at 31.12.2019 stands at 42.770.

In 2012, sub-group TERNA ENERGY entered the USA market with a transaction, in which the company Met Life (TEI) paid the amount of 49.693 to acquire the right to receive, mainly cash and tax losses. In FY 2013, the construction was completed and the Wind Farm Mountain Air, of total capacity of 138 MW, located in the state of Idaho, USA, started operating. The audit is based on a contractual agreement with MetLife, which contributes capital as a Tax Equity Investor (TEI) and is fully consolidated. According to the agreement between the two parties, TEI contributed capital in exchange of 50% of the membership interests, the contractual rights of which stipulate that TEI will receive 99% of tax losses and a certain percentage of net cash flows until it achieves the return on its invested capital as defined in the agreement.

After TEI's contractually agreed performance date, and in the event of a non-acquisition of its shares by sub-group TERNA ENERGY, TEI remains with the participating interest of a 37.75% in distributions and tax results of the Wind Farm.

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Following the sub-group TERNA ENERGY contractual agreement with MetLife, after the date on which TEI's contractually agreed performance has been reached, the sub-group TERNA ENERGY may acquire the membership interests of the TEI investor (100% of Class A shares) versus a consideration that would be considered reasonable after the agreement has been reached. In this context, the sub-group TERNA ENERGY has been in negotiations with TEI regarding the acquisition of its membership interests, versus a consideration that would be considered reasonable after the agreement has been reached. The aforementioned negotiations are in progress until the date of approval of the accompanying annual financial statements and are expected to be completed within 2020.

- **Financial liability to TEI Goldman Sachs:**

As at 31.12.2019, the unamortized balance of the Group's liability to TEI Goldman Sachs stands at 108.688 (including an amount of 27.368 that pertains the unamortized value of tax benefits).

In 2017, construction was completed and the Fluvanna I Wind Farm, of total capacity of 155,4 MW, located in the state of Texas, USA. Under the new tax law in the USA, which entered into force on 22.12.2017, this Wind Farm is eligible to depreciate for tax purposes regarding almost all of its construction costs within its operating year, namely in FY 2017.

As a result of the aforementioned tax treatment of the construction cost of the project, significant tax losses are incurred in FY 2017.

Furthermore, in addition to the tax losses incurred during the first year of operation, the Wind Farm is eligible to receive additional tax benefits associated with the annual energy production of the Wind Farm (Production Tax Credits - PTCs).

On 28.12.2017, the sub-group TERNA ENERGY entered into a transaction in which Goldman Sachs Bank paid the amount of 127.882 (including issuance fees) to acquire 50% of the membership interests, the contractual rights of which stipulate that the TEI will receive, mainly, the Tax Benefits (tax losses and Production Tax Credits) of the Fluvanna I Wind Farm, with a limited amount of tax equity investment. In FY 2017, TEI received 70% of the tax benefits, and from the 2018 year and until it achieves a predetermined return on its initial payment, it will receive 99% of these benefits.

- **Financial liability to TEI Berkshire Hathaway:**

As at 31.12.2019, the unamortized balance of the Group's liability to TEI Berkshire Hathaway stands at 116.255 (including an amount of 23.570 that pertains the unamortized value of tax benefits).

In 2019, construction was completed for Fluvanna II Wind Farm, of total capacity of 158 MW, located in the state of Texas, USA and was set in operation. Under the tax law in the USA, this Wind Farm is eligible to depreciate for tax purposes almost all of its construction costs within its operating year, namely in FY 2019. As a result of the aforementioned tax treatment of the construction cost of the project, significant tax losses will be incurred in FY 2019.

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Furthermore, in addition to the tax losses incurred during the first year of operation, the Wind Farm is eligible to assume additional tax benefits associated with the annual energy production of the Wind Farm (Production Tax Credits - PTCs).

On 13.09.2019, the sub-group TERNA ENERGY entered into a transaction in which Berkshire Hathaway paid the amount of 120.250 (including issuance fees) to acquire 50% of the membership interests, the contractual rights of which stipulate that the TEI will receive, mainly, the Tax Benefits (tax losses and Production Tax Credits) of the Fluvanna II Wind Farm, plus a limited amount of tax equity investment. In FY 2019, TEI received 82.58% of the tax benefits, and from the 2020 year and until it achieves a predetermined return on its initial payment, it will receive 99% of these benefits.

- **Financial liability to TEI BAL & ANTRIM:**

As at 31.12.2019, the unamortized balance of the Group's liability to TEIs stands at 108.059 (including an amount of 887 that pertains to the unamortized value of tax benefits).

In September 2019, the acquisition of the membership interest in the Wind Farm "Bearkat I", in Texas, USA, was completed. The wind farm of total capacity of 196,65 MW, started operating in December 2017. Following the finalization of the acquisition, the sub-group TERNA ENERGY has a financial liability to TEI BAL & ANTRIM. The Wind Farm is eligible to receive tax benefits linked to the annual Production Tax Credits – PTCs. The TEI will receive, mainly, the Tax Benefits (tax losses and Production Tax Credits) of the wind farm Bearkat I, plus a limited amount of tax equity investment. In FY 2019 and until the TEI achieves a predetermined return on its initial payment, it will receive 99% of these benefits.

27. PROVISION FOR STAFF INDEMNITIES

According to Greek labor legislation, every employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of the indemnity depends on the length of service with the company and the employee's wages the day he/she is dismissed or retires. Employees that resign or are justifiably dismissed are not entitled to such an indemnity.

The indemnity payable in case of retirement in Greece is equal to 40% of the indemnity calculated in case of dismissal. According to the practices in the countries where the subsidiaries of the Group are operating in, staff indemnity programs are usually not funded.

The estimates for staff indemnity liabilities were determined through an actuarial study. The following tables present an analysis of the net expenditure for the relevant provisions recorded in the consolidated net earnings for the financial year ended on the 31st of December, 2019 and the movement of the relevant provision accounts for staff indemnities presented in the attached consolidated Statement of financial position for the year ended on 31st December 2019.

The expense for staff indemnities which was recognized by the Group in Income Statement and was recorded in Cost of sales by 1,196, in Administrative and distribution expenses by 333 and in financial expenses by 67 (1,776, 314 and 55 during the previous year, respectively), and by the Company in Administrative and distribution expenses (during the present and previous year), is analyzed as follows:

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	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Current service cost	1,102	1,522	12	24
Financial cost	67	55	2	1
Effect of cut-backs or settlements	638	715	13	0
Recognition of actuarial (profits) / losses	333	453	22	39
Total	2,140	2,745	49	64

The changes in the relative provisions in the Statement of financial positions are as follows:

	GROUP		COMPANY	
	2019	2018	2019	2018
Balance as at 1 January	8,572	7,780	137	80
Provision recognized in Net earnings	1,596	2,145	27	25
Provision recognized in Other Comprehensive Income	333	453	22	39
Provision recognized in inventories	207	0	0	0
Foreign exchange differences	85	334	0	0
Compensation payments	(3,391)	(2,134)	(22)	(7)
Transfers	0	(6)	0	0
Balance 31 December	7,402	8,572	164	137

The key actuarial assumptions for the years 2019 and 2018 are as follows:

	2019	2018
Discount rate (based on the yields of the E.C.B. bonds)	1.00%	1.50%
Mortality: Greek mortality table	MT_EAE2012P	MT_EAE2012P
Future salaries increases	1.25%	1.25%
Movement of salaried workers (departure under their own will)	1%	1%
Movement of day-waged workers (departure under their own will)	1%	1%
Movement of salaried workers (laid-off)	6%	6%
Movement of day-waged workers (laid-off)	6%	6%

The following table presents the sensitivity of the liability concerning providing benefits to personnel in cases of changes occurring in certain actuarial assumptions.

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	GROUP	COMPANY
Change in discount rate +0,5% & Change in salaries – voluntary withdrawals - dismissals 0%	(189)	(8)
Change in discount rate -0,5% & Change in salaries – voluntary withdrawals - dismissals 0%	348	9
Change in discount rate 0%, Change in salaries +0,25% & Change in salaries – voluntary withdrawals - dismissals 0%	204	5
Change in discount rate 0%, Change in salaries -0,25% & Change in salaries – voluntary withdrawals - dismissals 0%	(64)	(4)
Change in discount rate 0%, Change in salaries 0%, voluntary withdrawals +1% & dismissals 0%	(236)	(9)
Change in discount rate 0%, Change in salaries 0%, voluntary withdrawals -1% & dismissals 0%	409	10
Change in discount rate 0%, Change in salaries - voluntary withdrawals 0% & dismissals +1%	171	3
Change in discount rate 0%, Change in salaries - voluntary withdrawals 0% & dismissals -1%	(50)	(4)

28. OTHER PROVISIONS

The changes in the relevant provisions in the Statement of financial position for 2019 and 2018 are as follows:

	GROUP		
	Provisions for environmental rehabilitation	Other provisions	Total
1st January 2019	16,455	27,431	43,886
Provision recognized in the results	993	301	1,294
Provision recognized in fixed assets	1,897	0	1,897
Addition from company acquisition (note 7.1)	1,370	0	1,370
Provisions used	0	(9,129)	(9,129)
Transfer from/ (to) another account	0	(4,066)	(4,066)
Foreign exchange differences	55	9	64
31st December 2019	20,770	14,546	35,316

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	GROUP		
	Provisions for environmental rehabilitation	Other provisions	Total
1st January 2018	14,522	19,143	33,665
Provision recognized in the results	502	16,577	17,079
Provision recognized in fixed assets	1,024	0	1,024
Provisions used	0	(2,573)	(2,573)
Interest from provisions recognized in Net Profit	342	0	342
Transfer from/ (to) another account	0	(2,421)	(2,421)
Write off for the period	0	(1,762)	(1,762)
Unused provisions recognized in profit	0	(1,636)	(1,636)
Foreign exchange differences	65	103	168
31st December 2018	16,455	27,431	43,886

The item "Other provisions" in the above table is analyzed as follows:

	GROUP	
	31.12.2019	31.12.2018
Provisions for tax for tax non-inspected years	4,610	3,460
Provisions for litigations	4,838	5,143
Provision for major maintenance of motorways	0	2,829
Provision for loss-bearing construction contracts	1,433	12,394
Other provisions	3,665	3,605
	14,546	27,431

The tables, presented above, record analysis of provisions based on the nature of the commitment as well as their analysis based on the expected timing of the outflow of financial. In particular, provisions are presented as a total as long-term and are not recorded in discounted amounts as there is no accurate estimate of their payment time.

The items "Provisions for rehabilitation of the natural landscape" records the provisions made by the companies of the Group's the energy sector, as well as some provisions made by the companies of the industrial sector for the purposes of covering the costs of rehabilitation of the natural landscape where the power plants and quarry operators are installed at the end of the holding, according to the licenses received from the State. The above provision of 20,770 (16,455 on 31.12.2018) reflects the cost of dismantling equipment and restoring the space where they are installed, applying modern technology and materials.

The item "Provision for heavy maintenance of motorways" includes the contractual obligation of NEA ODOS and CENTRAL GREECE MOTORWAYS SA to maintain the infrastructure on the basis of heavy maintenance planning.

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Moreover, in compliance with the concession agreement, the Group is under obligation to deliver the infrastructure to the concessionaire in the previously defined condition at the end of the service concession agreement. In 2019, additional provisions of 7,005 (4,293 on 31.12.2018) were made, however, an amount of 8,503 (7,061 on 31.12.2018) was transferred to accrued and other liabilities, as the Group estimates that the corresponding operations will be carried out within 2020.

29. GRANTS

The changes in grants in the Statement of financial position for 2019 and 2018 are as follows:

	GROUP	
	2019	2018
Balance 1.1.	162,000	164,211
Receipts of grants	0	3,882
Refunds of grants	(36)	0
Foreign exchange differences	981	2,021
Amortization of grants on fixed assets recognized in net results (Note 40)	(8,194)	(8,106)
Amortization of grants on fixed assets recognized in inventories	(52)	(8)
Balance 31.12.	154,699	162,000

The Group's grants refer to those provided by the State for the development of wind parks of TERNA ENERGY sub-group amount 134,322 (141,336 on 31.12.2018), industrial / trade zones, car park stations and industrial development. The grants are amortized in accordance to the granted assets' depreciation or utilization rates.

"Grants" include approved but not collected grants, of a total amount of 11,920, which in the amount of 1,479 were classified in the "Advance payments and other receivables" (Note 20) and in the amount of 10,441 were classified in the "Other long-term receivables" (Note 16). These grants were recognized on the basis of the Group's management's assurance that all the conditions for the collection of these are normally met and that these amounts will be collected with the final approval of the completion of the relevant investments.

30. SUPPLIERS

As at 31 December 2019 and 31 December 2018, Suppliers in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Suppliers	261,490	282,948	1,870	1,376
Checks and notes payable	2,854	2,979	0	0
Total	264,344	285,927	1,870	1,376

The balance of the item arises from the amount of 188,659 (247,727 in 2018) from the construction segment, 41,036 (17,052 in 2018) from the RES segment, 22,825 (12,713 in 2018) from the concessions segment and 11,824 (8,435 in 2018) from other operating segments of the Group.

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31. ACCRUED AND OTHER LIABILITIES

As at 31st December 2019 and 31st December 2018, Accrued and other liabilities (long and short term) in the accompanying financial statements, are analyzed as follows:

Other long-term financial liabilities

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Withheld amounts and guarantees to suppliers	1,436	2,142	0	0
Liabilities from acquisition of companies	13,839	12,878	13,839	12,878
Guarantees of leased property	385	386	95	113
Other long-term financial liabilities	195	331	0	0
Total	15,855	15,737	13,934	12,991

The amount in "Liabilities from acquisition of companies" in the Company and the Group pertains the present value of the credited consideration from the acquisition of percentages of the companies NEA ODOS SA and CENTRAL GREECE MOTORWAYS SA, which took place in a previous year.

Other long-term non-financial liabilities

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Collected advances from customers relating to construction agreements	59,452	77,840	0	0
Other long-term non-financial liabilities	28	32	0	0
Total	59,480	77,872	0	0
Total other long-term liabilities	75,335	93,609	13,934	12,991

The balance of the account "Collected advances from customers relating to construction agreements" concerns an advance payment from the client for the energy project of PTOLEMAIDA.

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Accrued and other short-term financial liabilities

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Liabilities from dividends payable and capital return	59	21,404	0	0
Liabilities to members of j/v and other associates	1,239	5,796	844	1,643
Accrued expenses	18,256	19,248	134	100
Acquisition under settlement	9,753	20,509	0	0
Liabilities from acquisition of	8,700	0	8,700	0
Sundry Creditors	8,384	10,320	1,848	1,017
Total	46,391	77,278	11,526	2,760

The account "Liabilities from dividends payable and return of capital" on 31.12.2018 for the Group includes the amount of 21,213, which concerned the obligation of the sub-group TERNA ENERGY for return of capital according to the 18.10.2018 decision of the Extraordinary General Meeting. This obligation was repaid within the next fiscal year, i.e. on 14.01.2019.

In addition, "Liabilities from acquisitions of companies" include the total acquisition price of companies KASSIOPI BV, AVLAKI I BV, AVLAKI II BV, AVLAKI III BV and AVLAKI IV BV. In 2019, the Group acquired 100% of the share capital of the aforementioned five companies (see Note 7.2).

Other short-term non-financial liabilities

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Liabilities from taxes and duties	21,454	20,800	691	184
Social security funds	4,692	3,929	86	83
Income carried forward and other transit accounts	10,632	7,177	7,085	7,085
Approved and collected grants to be returned	3,024	3,024	0	0
Provisions for loss-bearing construction contracts	5,100	1,987	0	0
Provision for major maintenance of motorways	8,306	7,797	0	0
Total	53,208	44,714	7,862	7,352
Total Accrued and other short-term liabilities	99,599	121,991	19,388	10,112

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The “Grants to be reimbursed” include amounts of received subsidies to be reimbursed due to the cancellation or expiration of time-limits of the decisions qualifying certain wind farms and, in addition, include interest accrued on the aforementioned grants.

32. SHORT-TERM LOANS

The Group’s short-term loans refer mainly to revolving bank loans having duration between one and three months depending on the needs. The amounts withdrawn are used partly to cover the liquidity needs of the Group either during the construction period of technical works or during the construction period of instalments of the Group’s energy segment or during the development period of the investments in the mining of magnesite.

Such loans, with the completion of the relevant projects, are repaid with the collection of the contractor prices, or are converted to long-term as regards to wind parks, other energy projects and investments in the mining of magnesite.

The largest part of the Group’s loans is issued in euro and the weighted average interest rate for such during the year settled at 4,17 % (5.13% during 2018).

The following table presents the changes in the Group long-term loans for 2019 and 2018:

	GROUP	
	31.12.2019	31.12.2018
Short-term loans		
Opening balance	125,421	112,484
Capital withdrawals / (payments)	(2,198)	23,458
Interest payments	(6,785)	(6,522)
Addition from company acquisition (note 7.1)	6,613	0
Foreign exchange differences	80	(189)
Loan interest in financial results (note 44)	6,387	6,430
Other loan interest (capitalized)	1,080	0
Transfers	0	(10,240)
Closing balance	130,598	125,421

33. FINANCIAL DERIVATIVE INSTRUMENTS

Information on the Group's derivative financial instruments on 31.12.2019 and 31.12.2018 is analyzed as follows:

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	GROUP	
	31.12.2019	31.12.2018
Liabilities from derivatives		
- <i>Hedging cash flows</i>		
Interest rate swaps (note 33.1)	27,269	23,883
Interest rate swaps CENTRAL GREECE MOTORWAY (note 33.2)	196,137	170,981
Electricity options (collar) (note 33.3)	2,625	2,549
Future contract for the sale of electric energy (physical forward) (note 33.3)	6,031	900
- <i>For trading purposes</i>		
Electricity options (collar) (note 33.3)	76	528
Total Liabilities from Derivatives	232,137	198,842
- <i>Long-term liabilities from derivatives</i>	202,559	177,531
- <i>Short-term liabilities from derivatives</i>	29,578	21,311
Receivables from derivatives		
- <i>Hedging cash flows</i>		
Electricity options (collar) (note 33.3)	5,716	1,908
Electricity options (swaption) (note 33.3)	510	1,396
Interest rate swaps (note 33.1)	0	625
Future contract for the sale of electric energy (physical forward)- Hedging cash flows (note 33.3)	8,096	0
Total	14,322	3,929
Embedded derivative according to the concession agreement (CENTRAL GREECE MOTORWAY) (note 33.2)	193,177	167,996
Total Receivables from Derivatives	207,500	171,925
- <i>Long-term liabilities from derivatives</i>	188,635	154,607
- <i>Short-term liabilities from derivatives</i>	18,865	17,318

All the aforementioned financial instruments are measured at their fair value (see Notes 4.13.6 and 4.14).

In particular, in 2019, from all the aforementioned derivatives, a total profit of 46,011 (2018: profit 8,037) was recognized in the income statement of the year from changes in fair value, which is included in the item "Net financial income / (expenses)" as analyzed in Note 44 in the line "Derivatives valuation results". Furthermore, the total changes in fair value recognized in other comprehensive income stood at total loss of 25,592 (2018: profit of 3,263). More analytically:

33.1 Interest rate swaps

The Group, in order to manage the interest rate risk to which it is exposed, has signed interest rate swaps contracts.

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Interest rate swaps objective is the hedging of risk of negative future cash outflows arising from interest on loan agreements signed in the context of its activities and based on the electric energy sector as well as the concessions sector. Specifically, interest rate swaps relate to contracts where the variable interest rate on the loan is converted to fixed over the entire term of the loan so that the Company is protected against any potential increase in interest rates. The fair value of these contracts was assessed by recording the effective interest rate (euribor) curve as at 31.12.2019 throughout the period of such contracts.

The fair value of these contracts as at 31.12.2019 stood at liability 27,269 (the total nominal value of the contracts amounts to 366,120 and concerns Greece and Bulgaria and \$ 25,000). On 31.12.2019, these derivatives met the requirements of cash flow risk hedging, in accordance with the provisions of IFRS 9 and from their measurement in fair values were recognized in the other comprehensive income, loss of 3,360, and loss of inefficient amount of 665 recognized in the income statement of the period. These financial liabilities have been classified in the hierarchy of fair value at level 2 (see Note 49).

33.2 Liabilities and Receivables on derivatives of CENTRAL GREECE MOTORWAY: Derivative financial instruments and Operational Support

The Group has recognized, through the 100% subsidiary company CENTRAL GREECE MOTORWAY SA, a derivative obligation of interest rate swaps of 196,137, (nominal value 379,870, beginning 2008 and ending 2036 and interest rate 4,766% fluctuating euribor) and respectively a receivable from a imbedded derivative financial asset (i.e. the part of the Operating Support Scheme covering future payments of the exchange derivatives interest rates) of 193,177. Detailed information on the Concession Agreement and the basis for recognition of the imbedded derivative receivable, since the Group (through the 100% subsidiary company CENTRAL GREECE MOTORWAY SA) has contractually transferred the risk arising from the obligation of interest rate swaps to the State, are set out in note 4.14 of the accounting policies of the annual financial statements for the period ended on 31 December 2019.

- The fair value of the financial asset receivable from embedded derivative on 31.12.2019 of 193,177 reflects the present value from future payments on interest rate swaps (31.12.2018: 167,996). The Group has taken into account the following for discounting future flows: a) future outflows as derived from the financial model of CENTRAL GREECE ROAD SA, approved by all parties (Lenders, State, Company), b) Government credit risk as embodied in the multi-maturity Greek government bond yield curve. c) Possible time difference between Derivative Payments and Operational Support Collection. The Group, at each reporting date, reviews the financial asset for impairment. The Group assessed that there is no indication of impairment as at 31 December 2019.

In each Calculation Period, from the total Operating Support income, the amount relating to payments for interest rate swaps is recognized as deductible from the financial derivative receivable at 31 December 2019 amounting to 18.715 (31.12.2018: 18.702). Subsequently, any change in the valuation of the derivative is recognized in profit or loss in the period that arises, i.e. as of 31st December 2019, the arising profit of 43.896 which substantially reflects the change in interest rates, was recognized in the "Net financial income/(expense)" item of the consolidated Income Statement (see Note 44). This financial asset is classified at fair value hierarchy level 3 (see Note 49).

- Interest rate swaps are contracts where the variable interest rate on the loan is converted to fixed over the entire term of the loan so that the subsidiary is protected against any interest rate rise.

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The fair value of these contracts was assessed by recording the effective interest rate (euribor) curve as at 31.12.2019 throughout the period of these contracts. As at 31.12.2019, the fair value of these contracts amounted to 196.137 in total and the Group recognized from its valuation of derivatives a total loss of 25.155, of which 4.090 relates to the ineffective part of the cash flow hedging derivatives reclassified from other comprehensive income to Income Statement of the period. This financial liability is classified at fair value hierarchy level 2.

33.3 Derivatives for hedging changes in energy market prices

Through the subsidiary TERNA ENERGY, the Group proceeds to the conclusion of derivatives with a view to compensating for the risk of a change in the cash flow variability of energy prices for the Group's investments in RES in the USA. Specifically:

- In September 2016, the Group entered into two derivatives, a collar call option (trading date: 23.09.2016) and a swaption option. For the collar derivative, the effective date was 01.01.2018, while for the swaption the effective date would be 01.01.2024. The Group entered into these derivatives with the ultimate purpose of using them to hedge the risk of cash flow variability in the energy for the Group's investment in a Wind Park in the USA, through a subsidiary company. This particular subsidiary constructed and operated a wind park of 155,4 MW-capacity in West Texas of the United States.

In September 2019, the Group amended the aforementioned derivatives, and the decrease in the percentage for hedging stood was agreed by 50% from the collar and by 75% from the swaption. The transaction resulted in invoke of 5.226 which is recorded in the item "Net financial income/(expenses)".

As at 31.12.2019, these derivatives met the cash flow hedge requirements in accordance with the provisions of IFRS 9. The fair value of the derivatives was determined at 514 (net receivable) as at 31.12.2019 (31.12.2018: 40– net receivable) and the derivatives were classified at fair value hierarchy level 3 (see Note 49).

- In July 2018, the Group issued a balance of hedge, through which it will swap variable income from sale of wind farm electricity to the US for a fixed payment. The contract in question is only financially settled and does not include product swap. The Group entered into the aforementioned contracts with the ultimate purpose of using them to hedge the risk of market price changes and, secondary, their effect on revenue from sale of electric energy. The balance changes transaction effective date was 03.07.2018. As at 31.12.2019 and 31.12.2018, the aforementioned contract did not comply with hedging of cash flow risk provisions stated in IFRS 9. The fair value of the derivative was defined as 76 (net liability) as at 31.12.2019 (31.12.2018: 528 – net liability) and was classified at fair value hierarchy level 2 (see Note 49). Unrealized losses from valuation of balance of hedge, standing at 464, constitute operating losses of the wind farm, therefore they are recorded as a deduction from the Turnover.
- In September 2018, the Group issued two derivatives, a forward contract for sale of electricity at a predetermined price, physical, and a collar option. Regarding the physical contract, the effective date will be 01.11.2019, while regarding the collar – 01.11.2024. The Group entered into these derivatives with the ultimate purpose of using them to hedge the risk of cash flow variability in the energy for the Group's investment in a Wind Park in the USA, through a subsidiary company. This particular subsidiary constructs the second wind park of 158 MW-capacity in West Texas of the United States. As at 31.12.2019, these derivatives met the cash flow hedge requirements in accordance with the provisions of IFRS 9. The fair value of the derivative was determined at 591 (net receivable) as at 31.12.2019 (31.12.2018: 185 – net receivable) and the derivatives have been classified in the fair value hierarchy level 3 (see Note 49).

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- On September 5th 2019, through acquisition of subsidiary, the Group issued a derivative, a forward contract for sale of electricity at a predetermined price, physical. The effective date was 01.04.2018. The Group entered into this derivative with the ultimate purpose of using it to hedge the risk of cash flow variability in the energy for the Group's investment in a Wind Park in the USA, through a subsidiary company. This particular subsidiary operates wind park of 196,65 MW-capacity in Texas of the United States. As at 30/09/2019, this derivative did not meet the cash flow hedge requirements in accordance with the provisions of IFRS 9. Unrealized losses from valuation of derivative, standing at 1.595, constitute operating losses of the wind farm, therefore they are recorded as a deduction from the Turnover. As at 31.12.2019, this derivative met the cash flow hedge requirements in accordance with the provisions of IFRS 9. The fair value of the derivative was determined at 4.562 (net receivable) as at 31.12.2019 (31.12.2018: 0) and the derivative has been classified in the fair value hierarchy level 3 (see Note 49).

Summarizing the aforementioned, in 2019, profit of 6.870 (2018: profit 1.088), from the aforementioned derivatives used for the purpose of hedging changes in energy market prices was recognized from changes in fair value, which was also recognized in the Income Statement of the period, in "Net financial income / (expenses)" item (see Note 44). Changes in fair value recognized in other comprehensive income stood at a loss of 1.594 (2018: loss of 1.835).

34. SHARE CAPITAL – EARNINGS PER SHARE

On 31.12.2019 the share capital of the Company amounted to Euro 58,951,275.87, was fully paid and divided into 103,423,291 common shares of a nominal value of Euro 0.57 each. Each share of the Company entitles one vote. The share premium account amounts to Euro 381,283 at 31.12.2019.

Additionally on 31.12.2019 the Group held directly through the parent 4,806,636 equity shares and indirectly through subsidiaries 1,305,040, a total of 6.111.576 equity shares with a total acquisition value of 22,865, i.e. 5,9093% of the share capital (see Note 35).

Earnings per share

The main earnings per share for the period 01.01.-31.12.2019 and the corresponding comparative annual period were calculated as follows:

	GROUP	
	1.1-31.12.2019	1.1-31.12.2018
(a) Basic earnings / (losses) per share (Amounts in Euro / Share)		
Profit / (Losses)		
Net gains / (losses) attributable to the shareholders of the parent for basic earnings per share (Amounts in Euro)	23,457	4,466
Number of Shares		
Average Weighted Number of Common Shares Used to Calculate Basic Earnings / (Losses) Per Share	97,995,857	98,102,556
Basic earnings / (losses) per share (Amounts in Euro / Share) from continuing operations	0.2394	0.0455

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Basic earnings per share were calculated applying the weighted average number of common shares, subtracting the weighted average number of treasury shares. No adjustments have been made to earnings (numerator). Finally, no diluted earnings per share are effective for the Group and the Company for the period ended on 31.12.2019 and the respective comparative period.

Stock Options:

The Extraordinary General Meeting of GEK TERNA S.A. held on 09.12.2019 approved the Company's Remuneration Policy, in accordance with Articles 110 and 111 of Law 4548/2018. In the context of the preparation of the Remuneration Policy, a new plan (abolishing the plan approved on 27.06.2018 by the General Meeting) was introduced to provide stock options up to the limit of 4,000,000 shares of the Company for the five-year period 2019-2023, which will address up to 20 executives. The plan will be implemented, provided that the objectives set by the BoD are fulfilled, through the issue of new shares or allocation of equity shares, in accordance with article 113 par. 2 of Law 4548/18. The share distribution price offered to the beneficiaries is proposed to stand at Euro 2.00 per share. The Board of Directors has been authorized to determine the beneficiaries, the way the option is exercised as well as the other terms of the plan and settle all the relevant regulatory issues for the implementation of the decision.

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The Group and the Company reserves in 2019 and 2018 in the accompanying financial statements are analyzed as follows:

	Statutory reserves	Treasury Shares	Reserves from fair value difference of assets through Other Comprehensive Income	Differences from cash flows risk hedges reserves	Reserves from participating interest in other comprehensive income of associates and joint ventures	Reserves of foreign currency translation differences from incorporation of foreign operations	Development and tax legislation reserves	Actuarial revenue/losses from defined benefit plan reserves & other reserves	Total
GROUP									
1 January 2018	28,676	(19,338)	14,992	254	(25,309)	1,447	220,071	23,142	243,935
Reclassification due to IFRS 9	0	0	(393)	0	0	0	0	0	(393)
Earnings from other comprehensive income for the year	0	0	607	5,164	(329)	(1,394)	0	(8,282)	(4,234)
Formation of reserves	887	0	0	0	0	0	187,558	102	188,547
Acquisition of treasury	0	(1,686)	0	0	0	0	0	0	(1,686)
Granting stock options	0	4,326	0	0	0	0	0	0	4,326
Transfers to minority interest and other changes	0	0	(70)	(5,987)	22,007	(7)	(48,444)	(22,801)	(55,302)
31st December 2018	29,563	(16,698)	15,136	(569)	(3,630)	46	359,185	(7,840)	375,193

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1 January 2019	29,563	(16,698)	15,136	(569)	(3,630)	46	359,185	(7,840)	375,193
Earnings from other comprehensive income for the year	0	0	13,874	(20,134)	(522)	(281)	0	(907)	(7,970)
Formation of reserves	3,378	0	0	0	0	0	101,776	0	105,154
Acquisition of treasury	0	(6,167)	0	0	0	0	0	0	(6,167)
Transfers to minority interest and other changes	0	0	(3,073)	(3,114)	(1)	(23)	(354)	8,465	1,900
31 December 2019	32,941	(22,865)	25,937	(23,817)	(4,152)	(258)	460,607	(283)	468,110

	Statutory reserves	Treasury Shares	Reserves from fair value difference of assets through Other Comprehensive Income	Development and tax legislation reserves	Actuarial revenue/losses from defined benefit plan reserves & other reserves	Total
COMPANY						
1 January 2018	7,007	(12,798)	11,663	62,625	52	68,549
Reclassification due to IFRS 9	0	0	(393)	0	0	(393)
Earnings from other comprehensive income for the year	0	0	748	0	0	748
Granting stock options	0	4,326	0	0	0	4,326
Acquisition of treasury shares	0	(1,686)	0	0	0	(1,686)
Transfers to minority interest and other changes	0	0	47	33,044	(47)	33,044
31st December 2018	7,007	(10,158)	12,063	95,670	5	104,587

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1 January 2019	7,007	(10,158)	12,063	95,669	5	104,587
Earnings from other comprehensive income for the year	0	0	13,874	0	(265)	13,609
Acquisition of treasury shares	0	(6,167)	0	0	0	(6,167)
Transfers to minority interest and other changes	0	0	0	2,910	44	2,954
31 December 2019	7,007	(16,325)	25,937	98,579	(216)	114,984

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Statutory reserves

Under the Greek legislation, companies are required to transfer at least 5% of their annual net profits in accordance with their accounting books and records to statutory reserves until such reserves equal one third of their share capital. These reserves shall not be distributed but can be used in order to write off losses.

Development and tax legislation reserves

These reserves relate to profits that have not been taxed at the effective tax rate according to the applicable tax framework. Such reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their transfer to equity under specific circumstances.

The reserves in question also include reserves of 2 motorway concessions. In particular, under the provisions of Article 36.1.7 of the Concession Agreement, the companies NEA ODOS and CENTRAL GREECE MOTORWAY SA amortize the total investment cost for tax purposes, including the cost of interests within Period T1. The portion of the State Financing Facility, corresponding to the construction cost for the fiscal year and, in particular, to the accounted for amortizations, is deducted from the amortizations in question as a proportion of the capital grant used (as Article 36.1.2 of the Concession Agreement). The amount of the proportion of the capital grant used as above is transferred to the account of tax exempted reserves. In the case the reserves are distributed, the State Financing Facility will be taxed at the tax rate applicable at the time of distribution to the shareholders. Within the current year, the aforementioned reserves increased by 94,386.

Cash flows risk hedging reserves

Cash flows hedging reserves are used to record profit or losses on derivative financial instruments, which may be designated as cash flow hedges and recognized in other comprehensive income. When the transaction to which the hedging relates affects the statement of comprehensive income, then the corresponding amounts are also transferred from the other comprehensive income to the statement of comprehensive income. During the fiscal year 2019, the Group recognized as a reduction to these reserves, derivative losses of 25,592 with the total of these reserves amounting to a debt balance of 23,817 at 31/12/2019 (see Note 33).

Treasury shares

On 31.12.2018 the Company directly holds 3,828,652 treasury shares, i.e. a percentage of 3,7019%, of acquisition value Euro 11,380,224. In 2019, the Company acquired 977,884 treasury shares of value Euro 6,167,091, i.e. a percentage of 0.9455%. Subsidiary TERNA SA holds a total of 688,205 shares, i.e. a percentage of 0.6654% of the acquisition value Euro 1,566,451. Subsidiary ILIOCHORA SA, holds 616,835 treasury shares, i.e. 0.5964% of the acquisition value Euro 3,751,325.

In the context of the aforementioned changes, on 31.12.2019 GEK TERNA SA holds directly and indirectly through its subsidiaries a total of 6,111,576 treasury shares, i.e. 5,9093% of the share capital with a total acquisition value of Euro 22,865,019.

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36. INCOME TAX – DEFERRED TAX

According to Greek tax legislation the tax rate corresponded to 29% for the year 2018. Article 23, Law 4579/2018, states that income tax rates are gradually reduced to twenty-eight percent, to twenty-seven percent (27%) for income of tax year 2020, to twenty-six per cent (26%) for income of tax year 2021 and twenty five per cent (25%) for income of tax year 2022 and thereafter. On 12.12.2019, the new tax law 4646/2019 was effective, where according to article 22, the tax rate is now set at 24% for the income of the tax year 2019 and thereafter.

The effective tax rate differs from the nominal. The calculation of the effective tax rate is affected by several factors, the most important of which are the non-exemption of specific expenses, differences from the use of depreciation rates that emerge between the fixed asset's useful life and the use of rates stipulated by Law 4172/2013, and the ability of companies to generate tax-exempt discounts and tax-exempt reserves.

(a) Income tax expense

Income tax in the statement of comprehensive income is analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Current tax	20,736	17,445	(62)	3,108
Tax adjustments of previous years	(154)	0	(159)	0
Provision for tax audit differences	(210)	2,257	(1,360)	0
Total	20,372	19,702	(1,581)	3,108
Deferred tax expense/(income)	1,714	5,272	(3,726)	(838)
Total expenses/(income)	22,086	24,974	(5,307)	2,270

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Profit before income tax expense	77,817	60,815	(17,518)	1,411
Nominal tax rate	24%	29%	24%	29%
Income tax expense/(income) based on the nominal tax rate	18,676	17,636	(4,204)	409

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Results not included in the calculation of tax	(20,781)	(30,719)	1,213	30
Impact due to change in tax rate	(2,068)	(2,753)	60	216
Adjustments of tax of previous years and additional taxes	(155)	0	(159)	0
Difference in taxation of foreign companies	(977)	589	0	0
Write-off/(Offsetting) of tax losses	12,480	34,383	716	(865)
Provision for tax audit differences	(210)	2,257	(1,360)	0
Taxable differences of previous years for which no deferred tax has been recognized	0	447	0	0
Effect of net temporary tax differences for which no deferred tax has been recognized	13,599	3,426	(1,573)	2,480
Effect of participating in net results of associates and joint venture	1,522	(292)	0	0
Income tax expense	22,086	24,974	(5,307)	2,270

The income tax return is submitted annually, but the profits or losses declared remain temporary until the tax authorities inspect the taxpayer's books and records and the final tax audit report is issued. The Group makes an annual assessment of the contingent liabilities that are expected to arise from the tax audit of prior years, making relevant provisions where necessary. The Group has made provisions for non-inspected tax years amounting to 4,610 and the Management considers that in addition to the formed provisions, any amounts of taxes that may arise will not have a significant impact on equity, profit or loss and cash flows of the Group and the Company. Information on non-inspected tax years is presented in Notes 5 and 51 to the Financial Statements.

(b) Deferred tax

Deferred income tax is calculated on all the temporary tax differences between the book value and the tax basis of the assets and liabilities.

A deferred tax asset is recognized for the transferred tax losses to the extent that a respective tax benefit can be realized via future taxable earnings.

It is noted that a deferred tax asset for an amount 353,352 (341,527 in 2018) has been recognized in the particular part of the tax losses where according to the Management their offsetting against future taxable earnings is relatively certain over the next 5-year period. Furthermore, it is noted that the above Deferred Tax Asset on the recognized losses for taxation purposes, includes a deferred tax asset for an amount of 345,062 (331,935 in 2018) in relation to the reported tax losses of NEA ODOS and CENTRAL GREECE MOTORWAY, which mainly derive from performing accelerated amortization charges in the construction cost of the Projects. These tax losses based on the provisions of the Concession Agreements offset future earnings without any time limit (meaning that the limit of the 5-year period is not required). From the approved Financial Models of the particular companies, it is demonstrated that until the end of the concession period, meaning until 2037, there will be taxable earnings, which can be offset against the accumulated tax losses.

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The subsidiaries of TERNA ENERGY sub-group in the USA, in the context of operation of the contracts with Tax Equity Investors, recognize deferred tax assets from transferred tax losses, production tax credits and interest. These deferred tax assets recognized as of 31 December 2019 amount to Euro 33 million, offsetting an equivalent amount of Euro 33 million of deferred tax obligations arising from differences between the tax and accounting base. Furthermore, the distribution of the purchase consideration of BEARKAT I TE PARTNERSHIP LLC led to the recognition of income from deferred tax of Euro 2.4 million.

The effect of the decrease in tax rates brought about by Law 4579/2018 (Article 23) in the fiscal year 2019, in profit or loss and other comprehensive income for the Group amounted to revenue of 2,068 and loss of 1,767 respectively.

The Group offsets the deferred tax assets and obligations, when there is an effective legal right to offset the current tax assets against current liabilities provided that the deferred taxes relate to the same tax authority. The offset amounts in 31.12.2019 and 31.12.2018 for the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Deferred tax assets	71,228	80,196	0	0
Deferred tax liabilities	(41,777)	(45,956)	(4,838)	(5,494)
Net deferred asset/ (liability)	29,451	34,240	(4,838)	(5,494)

The change of the net deferred tax asset / (liability) in the Statement of Financial Position is analyzed as follows:

	GROUP		COMPANY	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Net deferred tax asset / (liability)	29,451	34,240	(4,838)	(5,494)
Opening Balance	34,240	45,867	(5,494)	(6,555)
Effect of discontinued operations/acquisitions of entities	(2,946)	1,481	0	0
(Expense)/Income recognized in net earnings	(1,714)	(5,278)	3,726	838
(Expense)/Income recognized in Other comprehensive income	(48)	(7,839)	(3,073)	180
Foreign Exchange Translation Differences	(82)	23	0	0
(Expense) / Income recognized directly in the equity	2	(14)	3	43
Closing Balance	29,451	34,240	(4,838)	(5,494)

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Deferred taxes (assets and liabilities) in 2019 and 2018 are analyzed as follows:

Deferred tax	GROUP						31.12.2019
	01.01.2019	Statement of Profit or loss (Debit)/Credit	Other comprehensive income (Debit)/Credit	Equity	Foreign exchange differences	Acquisition, sale of a Subsidiary	
Investment property	2,879	(2,747)	0	0	0	0	132
Tangible and Intangible Assets	(6,505)	(17,639)	(77)	0	(99)	(2,946)	(27,266)
Investments	(10,489)	(285)	(3,034)	0	0	0	(13,808)
Contract Assets/Contract Liabilities	12,481	6,381	0	0	0	0	18,862
Recognized tax losses	341,527	11,825	0	0	0	0	353,352
Recognition of assets from concession contracts	(346,588)	11,289	0	0	2	0	(335,297)
Other non-current liabilities	2,991	(105)	0	0	9	0	2,895
Provision for staff indemnities	1,119	(3)	99	0	0	0	1,215
Companies' acquisitions and sales	14,413	(3,551)	0	0	0	0	10,862
Derivatives	6,698	(2,591)	3,029	0	0	0	7,136
Trade receivables	5,358	(437)	0	0	0	0	4,921
Other Provisions	6,440	(1,193)	0	0	0	0	5,247
Lease Contracts	74	(2,233)	0	0	6	0	(2,153)
Other	3,842	(425)	(65)	2	0	0	3,354
Total	34,240	(1,714)	(48)	2	(82)	(2,946)	29,452

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Deferred tax	GROUP						31.12.2018
	01.01.2018	Statement of Profit or loss (Debit)/Credit	Other comprehensive income (Debit)/Credit	Equity	Foreign exchange differences	Acquisition, sale of a Subsidiary	
Investment property	(231)	1,629	0	0	0	1,481	2,879
Tangible and Intangible Assets	(332)	(6,004)	(169)	0	0	0	(6,505)
Investments	(5,376)	(5,346)	233	0	0	0	(10,489)
Contract Assets/Contract Liabilities	38,164	(25,683)	0	0	0	0	12,481
Recognized tax losses	364,912	(23,385)	0	0	0	0	341,527
Recognition of assets from concession contracts	(377,522)	30,934	0	0	0	0	(346,588)
Other non-current liabilities	2,177	791	23	0	0	0	2,991
Provision for staff indemnities	1,064	(66)	121	0	0	0	1,119
Companies' acquisitions and sales	9,933	4,480	0	0	0	0	14,413
Derivatives	5,729	9,513	(8,544)	0	0	0	6,698
Trade receivables	8,597	(3,239)	0	0	0	0	5,358
Other Provisions	(4,681)	11,121	0	0	0	0	6,440
Lease Contracts	87	(13)	0	0	0	0	74
Other	3,346	(10)	497	(14)	23	0	3,842
Total	45,867	(5,278)	(7,839)	(14)	23	1,481	34,240

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Deferred tax	COMPANY				
	01.01.2019	Statement of Profit or loss (Debit)/Credit	Other comprehensive income (Debit)/Credit	Equity	31.12.2019
Investment property	826	33	0	0	859
Tangible and Intangible Assets	114	(83)	0	0	31
Investments	(7,543)	269	(3,034)	0	(10,308)
Contract Assets/Contract Liabilities	(2,372)	442	0	0	(1,930)
Recognized tax losses	835	4,313	0	0	5,148
Provision for staff indemnities	34	(1)	6	0	39
Trade receivables	221	34	0	0	255
Other Provisions	807	946	0	0	1,753
Other	1,584	(2,229)	(45)	3	(687)
Lease Contracts	0	2	0	0	2
Total	(5,494)	3,726	(3,073)	3	(4,838)

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Deferred tax	COMPANY				31.12.2018
	01.01.2018	Statement of Profit or loss (Debit)/Credit	Other comprehensive income (Debit)/Credit	Equity	
Investment property	844	(18)	0	0	826
Tangible and Intangible Assets	203	(89)	0	0	114
Investments	(7,785)	9	233	0	(7,543)
Contract Assets/Contract Liabilities	(2,605)	233	0	0	(2,372)
Recognized tax losses	1,321	(486)	0	0	835
Provision for staff indemnities	23	(2)	13	0	34
Trade receivables	0	221	0	0	221
Other Provisions	802	28	(66)	43	807
Other	642	942	0	0	1,584
Lease Contracts	0	0	0	0	0
Total	(6,555)	838	180	43	(5,494)

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37. TURNOVER

The turnover as at 31 December 2019 and 2018 in the accompanying financial statements is analyzed as follows:

Revenues from contracts with customer per segment

	GROUP	
	1.1- 31.12.2019	1.1- 31.12.2018
1) Revenues from contracts with customer per segment		
<u>Revenues from construction services' segment</u>		
Infrastructure Projects– Motorways - Airport	300,434	294,169
Industrial –Energy	374,128	650,671
Other services of construction services' segment	5,225	4,122
	679.787	948.962
<u>Revenues of electric power energy production from RES</u>		
Electric power energy production from wind parks and hydro-electric plants	211,970	204,088
Revenues from tax benefits (PTCs)	25,225	12,217
Other revenues of electric power energy segment from RES	72	31
	237,267	216,336
<u>Revenues from real estate segment</u>		
Revenues from real estate exploitation segment	4,689	9,186
	4,689	9,186
<u>Revenues from concession exploitation segment</u>		
Revenues from motorways' tolls	150,977	143,859
Revenues from the construction of waste processing units and installation of a ticket system	10,669	30,972
Revenues from operation of ticket system	12,239	12,439
Other services from concession exploitation segment	13,082	9,714
	186,967	196,984
<u>Revenues from industry segment</u>		
Sales of industrial products - quarries	9,879	11,363
	9,879	11,363
<u>Revenues from thermo-electric energy power production and trading of electric energy</u>		
Trading of electric energy	36,981	19,702
	36.981	19.702
<u>Revenues from Holding segment and other presented operating segments</u>		
Other revenues of Holding segment	169	168
	169	168
Total revenues from contracts with customers	1,155,739	1,402,700

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	GROUP	
	1.1-31.12.2019	1.1-31.12.2018
2)The analysis of turnover from contracts with customers at the time of income recognition is analyzed as follows:		
Transfer of goods and services at a specific time	459,014	457,860
Services rendered with the passage of time	696,725	944,840
Total turnover from contracts with customers	1,155,739	1,402,700

3) The backlog of the projects from construction contracts of the Group amounts to Euro 1,661 million on 31.12.2019 (see Note 51). The time analysis of the expected implementation of the backlog of contracts with customers is analyzed as: (a) Euro 580 million in 2020 and b) Euro 1,081 million for a period until 2024.

4) Turnover for the period per country and operating segment is analyzed below as follows:

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	GROUP						Total
	1.1-31.12.2019						
	Greece	Balkans	Middle East	Eastern Europe	USA	Other regions	
Revenue of Construction Segment	593,677	35,127	50,983	0	0	0	679,787
Revenue of Electricity from RES Segment	150,420	4,961	0	20,748	61,138	0	237,267
Revenue of Real Estate Segment	3,577	1,112	0	0	0	0	4,689
Revenue of Concessions Segment	186,967	0	0	0	0	0	186,967
Revenue of Industry Segment	1,539	240	28	20	0	8,052	9,879
Revenue of Electricity from thermal energy and HP trading	10,602	26,379	0	0	0	0	36,981
Revenue of Holding and other presented operating segments	169	0	0	0	0	0	169
Total	946,951	67,819	51,011	20,768	61,138	8,052	1,155,739

	GROUP						Total
	1.1-31.12.2018						
	Greece	Balkans	Middle East	Eastern Europe	USA	Other regions	
Revenue of Construction Segment	837,233	50,930	60,799	0	0	0	948,962
Revenue of Electricity from RES Segment	147,823	0	0	23,271	45,242	0	216,336
Revenue of Real Estate Segment	1,117	8,069	0	0	0	0	9,186
Revenue of Concessions Segment	196,984	0	0	0	0	0	196,984
Revenue of Industry Segment	1,011	0	0	0	0	10,352	11,363
Revenue of Electricity from thermal energy and HP trading	8,804	10,898	0	0	0	0	19,702
Revenue of Holding and other presented operating segments	168	0	0	0	0	0	168
Total	1,193,139	69,897	60,799	23,271	45,242	10,352	1,402,700

*Other Regions pertain to sales to clients in Greece, Balkans, Middle Eats, Eastern Europe and USA.

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38. COST OF SALES - ADMINISTRATIVE AND DISTRIBUTION EXPENSES - RESEARCH AND DEVELOPMENT EXPENSES

The cost of sales as at 31 December 2019 and 2018 in the accompanying financial statements, is analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Inventory cost-construction materials	337,556	605,197	2,425	2
Employee remuneration	69,771	63,474	892	870
Sub-contractors	200,475	175,803	16	174
Fees of civil engineers, technical consultants and other third parties	87,141	94,638	723	1,270
Other third-party expenses	12,958	12,817	160	163
Taxes-duties	12,579	14,009	99	105
Provisions	(852)	7,713	0	0
Transportation expenses	1,973	1,159	13	3
Lab audit expenses	494	516	0	0
Recovery of impairments / Impairments	(100)	0	(113)	0
Depreciation	117,218	108,890	321	306
Litigation and other indemnities	86	1,445	0	0
Expenses concerning litigation cases	144	165	0	0
Operating leases	14,381	15,135	0	167
Insurance premiums	10,509	10,208	9	8
Transportation expenses	8,113	7,983	10	11
Repairs-Maintenance expenses	30,369	27,212	6	18
Auditors' fees	153	149	1	2
Commissions and other financial expenses	11,523	13,443	293	1,466
Other	4,772	5,325	11	16
Total	919,263	1,165,281	4,866	4,581

Administrative and distribution expenses as at 31 December 2019 and 2018 in the accompanying financial statements are analyzed as follows:

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	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Employee remuneration	21,410	17,407	856	669
Fees of civil engineers, technical consultants and other third parties	27,305	22,775	2,349	1,004
Other third-party expenses	1,738	1,317	29	12
Travel expenses	994	1,101	158	252
Subscriptions and contributions	912	1,261	72	34
Promotion and advertising expenses	3,873	2,919	1,516	1,253
Depreciation	4,712	2,383	233	123
Recovery of impairments / Impairments	3	387	0	0
Repairs - Maintenance	1,273	1,233	5	3
Insurance Premiums	700	436	17	10
Auditors' fees	1,029	995	63	77
Remuneration of BoD	1,639	4,420	939	3,847
Operating leases	1,056	2,188	5	59
Taxes - Duties	2,243	1,406	204	142
Transport expenses	1,795	1,952	0	0
Expenses concerning litigation cases	1,403	308	9	217
Other	3,573	2,799	23	28
Total	75,658	65,287	6,478	7,730

Research and Development expenses as at 31 December 2019 and 2018 in the accompanying financial statements are analyzed as follows:

	GROUP	
	1.1-31.12.2019	1.1-31.12.2018
Employee remuneration	510	244
Fees of civil engineers, technical consultants and other third	2,939	1,006
Depreciation	66	92
Taxes - Duties	60	21
Transportation expenses	30	21
Travel expenses	201	108
Insurance Premiums	4	7
Other	121	92
Total	3,931	1,591

39. AUDITORS' FEES

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Total	1,182	1,144	64	79

The above fees relate to the fees of Certified Public Accountants for the total of the Group companies.

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For the year ended on 31 December 2019, the expenses for the fiscal year of the Group include fees for the Group's statutory auditor of 40,9 (37 in 2018) for the Group and 8,5 (2 in 2018) for the company, that concern permitted non-auditing services (with the exception of statutory audit services and the tax compliance report).

Within the fiscal year 2019 are included fees of amount 60 for providing services of special financial audit to the subsidy TERNA ENERGY MAEX, within the content of new CBL 2019 issuance.

40. OTHER ICOME/(EXPENSES)

Other income/ (expenses) for the period, in the accompanying financial statements as of 31 December 2019 and 2018 are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2019	1.1- 31.12.2018	1.1- 31.12.2019	1.1- 31.12.2018
Other income				
Amortization of grants on fixed assets	8,194	8,106	0	0
Operational support income of Motorway Concession	10,821	10,260	0	0
State's indemnities towards Motorway Concession company	14,640	10,338	0	0
Income from insurance indemnities	5,116	2,035	0	0
Amortization of tax benefits (Note 26)	6,663	3,262	0	0
Income from legal indemnities	242	38	169	0
Foreign exchange differences on payments	2,359	3,510	0	0
Recovery of impairments of fixed and intangible assets	1,162	433	0	0
Recovery of impairments of inventories	131	5	0	0
Recovery of impairments of assets	2,616	7,223	33	1
Gains from sale of fixed assets	1,182	1,309	0	0
Gains from valuation of Investment Property	2,243	844	0	27
Earnings from elimination of liabilities	631	2,195	0	0
Other revenue	4,969	9,853	66	182
Total	60,969	59,411	268	210
Other Expenses				
Depreciation not included in the cost	(826)	(349)	0	0
Operational support expense of Motorway Concession	(41,277)	(35,954)	0	0
Expenses related to insurance indemnities	(163)	(102)	0	0
Impairments of fixed and intangible assets	(2,452)	(1,680)	(160)	0
Impairments of inventories	(5,302)	(3,606)	(801)	(1,125)
Impairments of financial assets	(7,693)	(7,589)	(336)	(459)
Other impairments and provisions	(158)	(1,678)	0	0
Losses from sale of fixed assets	(942)	(590)	(1)	0
Loss from valuation of Investment Property	(736)	(5,615)	(43)	(1,547)
Taxes – duties	(792)	(2,685)	(193)	(182)
Other expenses	(3,790)	(4,803)	(91)	(55)
Total	(64,131)	(64,652)	(1,625)	(3,368)
Total other revenue/(expenses)	(3,162)	(5,240)	(1,357)	(3,158)

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41. PROFIT / (LOSSES) FROM SALE OF PARTICIPATIONS

Profit/(losses) from the sale of participations, in the accompanying financial statements as of 31 December 2019 and 2018, are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2019	1.1- 31.12.2018	1.1- 31.12.2019	1.1- 31.12.2018
Profit / (loss) from disposal of subsidiary	0	5,032	467	(141)
Profit / (loss) from disposal of shares and other Equity interests	(291)	(47)	(291)	(227)
Profit / (loss) from liquidation of associates, joint ventures and joint operations	(229)	89	(4)	(12)
Total	(520)	5,074	172	(380)

42. GAINS/(LOSSES) FROM VALUATION OF INTERESTS

Gains / (Losses) from valuation of interests and securities, as at 31 December 2019 and 2018, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2019	1.1- 31.12.2018	1.1- 31.12.2019	1.1- 31.12.2018
Profit / (loss) from valuation of financial assets at fair value through profit & loss (Note 22)	3,386	(3,218)	3,386	(3,218)
Valuation of other investments	0	(9)	0	0
Loss /reverse of loss from valuation on interest in subsidiaries (note 12)	0	0	(8,113)	(4,923)
Loss/reverse of loss from valuation on interest in joint ventures (Note 14)	0	0	180	(1,253)
Total	3,386	(3,227)	(4,547)	(9,394)

43. GAINS / (LOSSES) FROM PARTICIPATIONS AND OTHER EQUITY INVESTMENTS

Gains / (Losses) from participations and other equity investments, as at 31 December 2019 and 2018, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Dividends of subsidiaries	0	0	420	1,912
Income from a subsidiary's capital return	0	0	0	22,470
Dividends on equity instruments	1,408	1,002	1,404	998
Total	1,408	1,002	1,824	25,380

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The Extraordinary General Meeting of the Shareholders of the subsidiary TERNA ENERGY SA held on 18.12.2019 decided share capital return of by 19,366 i.e. 0,17 euro per share. On 24.01.2020, i.e. during next fiscal year, the relevant decision was registered in the Registry of Societes Anonymes and the relevant amount was collected on 13.3.2020. This resulted the income from the capital return resulting from the aforementioned decision of TERNA ENERGY amounting to 7,346 to be recognized sin results of 2020, although the decision of General Assembly occurred during 2019.

44. NET FINANCIAL INCOME/(EXPENSES)

Financial income/(expenses) as at December 31st 2019 and 2018, are analyzed as follows in the accompanying financial statements:

	GROUP		COMPANY	
	1.1- 31.12.2019	1.1- 31.12.2018	1.1- 31.12.2019	1.1- 31.12.2018
Deposit interest	1,740	2,813	262	238
Loan interest	2,339	2,755	9,818	8,990
Other financial income	220	247	0	0
Income from unwinding of long-term receivables	5,285	4,173	0	0
Total interest income	9,584	9,988	10,080	9,228
Interest and expenses of short-term loans	(6,387)	(6,430)	0	0
Interest and expenses of long-term loans	(74,643)	(76,236)	(16,342)	(14,395)
Financial cost from lease contracts	(1,393)	(709)	(18)	0
Bank commissions and expenses	(5,105)	(6,030)	(102)	(106)
Tax equity investor financial cost (Note 26)	(15,885)	(12,627)	0	0
Contracts of interest/financial instruments swaps services expenses	(21,977)	(22,614)	0	0
Other financial expenses	(2,472)	(1,963)	(964)	(886)
Total expenses from interest and related	(127,862)	(126,609)	(17,426)	(15,387)
Net interest income/(expenses) (a)	(118,278)	(116,621)	(7,346)	(6,159)
Profit from financial instrument derivatives valuation (Note 33)	50,776	8,307	0	0
Losses from financial instrument derivatives valuation (Note 33)	(4,765)	0	0	0
Derivatives valuation results (b)	46,011	8,307	0	0
Net total (a) + (b)	(72,267)	(108,314)	(7,346)	(6,159)

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45. PERSONNEL COST

Expenses for employee remuneration in 2019 and 2018 are analyzed as follows:

	GROUP		COMPANY	
	1.1- 31.12.2019	1.1- 31.12.2018	1.1- 31.12.2019	1.1- 31.12.2018
Wages and related employee benefits	77,372	66,203	1,386	1,215
Social security fund contributions	15,445	12,777	337	299
Provision for employee indemnities	1,529	2,145	25	25
Total	94,346	81,125	1,748	1,539

At the end of the closing period, the total number of the Group's headcount worldwide was 3.878, while on 31.12.2018 it was worldwide 5.107 people. On 31.12.2019, the Company's headcount was 21, while on 31.12.2018 it was 17.

46. TRANSACTIONS WITH RELATED PARTIES

The Company's and the Group's transactions with related parties for the period ending on 31.12.2019 and 31.12.2018, as well as the balances of receivables and liabilities which have derived from such transactions on 31.12.2019 and 31.12.2018 are as follows:

Year 31.12.2019	GROUP				COMPANY			
	Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances
Subsidiaries	0	0	0	0	11,519	4,315	203,872	86,124
Joint Ventures	6,854	10,764	17,098	4,433	118	921	12	381
Associates	0	1	0	7	0	1	0	2

Year 31.12.2018	GROUP				COMPANY			
	Related party	Revenue	Purchases	Debit Balances	Credit Balances	Revenue	Purchases	Debit Balances
Subsidiaries	0	0	0	0	11,217	3,697	136,808	126,826
Joint Ventures	2,899	9,878	15,538	5,026	159	955	257	20
Associates	0	1	32	9	0	1	32	3

The transactions with related parties take place under the same terms effective for transactions with third parties.

Within the year, the Company paid amounts of 17,876 (3,675 in 2018) and 0 (30 in 2018) for the share capital increase of subsidiaries and joint ventures and associates respectively. It also granted loans of 29,900 (53,510 in 2018) to subsidiaries collected from loan repayments from subsidiaries 93,041 (60,673 in 2018) and 160 (844 in 2018) from joint ventures. Respectively, it received loans of 37,002 (85,298 in 2018) from its subsidiaries and repaid 77,545 (74,316 in 2018) loans to its subsidiaries. The amounts are not included in the aforementioned tables.

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Also, within the fiscal year, the Company received dividends of 14,792 (25,380 in 2018) from subsidiaries. Similarly, for 2019 it received from repayments of joint venture's share capital 251 (180 in 2018). The amounts are not included in the aforementioned tables.

Transactions and remuneration of the Board of Directors members and senior executives: The remuneration of the Board of Directors members and senior executives of the Group and Company, recognized for the periods ended on 31.12.2019 and 31.12.2018, as well as the balances of receivables and liabilities that have emerged from such transactions on 31.12.2019 and 31.12.2018 are as follows:

	GROUP		COMPANY	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
Remuneration for services rendered	3,654	3,290	141	112
Remuneration of employees	868	345	244	44
Remuneration for participation in Board meetings	1,609	1,042	860	455
Total	6,131	4,677	1,245	611
Liabilities	192	366	28	10
Receivables	31	58	8	0

47. RISKS AND UNCERTAINTIES

The Group is exposed to multiple financial risks such as market risk (volatility in exchange rates, interest rates, market prices etc.), credit risk, and liquidity risk. The risk management plan aims to eliminate the negative effect of these risks on financial results of the Group as these effects are the results of the uncertainty in financial markets and the changes in costs and sales. The risk management policy is undertaken by the financial services of the Group.

The procedure implemented is as follows:

- Evaluation of risks related to Group's activities and operations.
- Planning the methodology and selecting the necessary financial products for the limitation of risk.
- Execution/application, in accordance with the approved procedure by the management, of the risk management plan.

The financial instruments of the Group are mainly deposits in banks, short-term financial products of high liquidity traded in the money market, trade debtors, and creditors, loans to and from associates, shares, dividends payable, liabilities arising from leasing and derivatives.

FOREIGN EXCHANGE RISK

The functional currency of the parent company and the reporting currency of the Group is Euro. Foreign exchange risk is the risk that results from the fact that the fair value of future cash flows of a financial instrument will be subject to fluctuations due to changes in exchange rates. This type of risk may arise, for the Group, from foreign exchange differences at the valuation and conversion into the Group's currency (Euro) of financial assets, mainly financial receivables, and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Group's entities.

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The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as net investments in foreign operations.

The Group operates through branches and companies in Greece, the Middle East, the Balkans, in Poland, the U.S.A. and thus it may be exposed to foreign exchange risk. The Group's current foreign activities concern construction projects, real estate development, and development of production of electricity from renewable energy resources.

Regarding the construction projects in the Balkans: the contractual receivables, liabilities to basic suppliers (cement, iron products, asphalt, cobble, skids etc.) and sub-contractors are realized in euro and thus the exposure to foreign exchange risk is limited. Moreover, the Bulgarian lev (BGN) has a fixed exchange rate against the euro. The development of real estate in the Balkans is mainly realized by the Group's construction companies and thus it is exposed to the same foreign exchange risk as the aforementioned construction companies. From the perspective of sales (and receivables), such are realized mainly in euro, and thus the exposure to foreign exchange risk is limited.

Regarding the construction projects in the Middle East, the contractual receivables, liabilities to basic suppliers (concrete, iron products, asphalt, cobble, skids etc.) and sub-contractors are realized in local currencies, which are pegged to the US dollar (USD) and thus there is exposure to foreign exchange from change in the USD exchange rate against Euro.

The electricity production from renewable energy sources activity is performed in Poland, the U.S.A., Serbia and North Macedonia, where the local currency fluctuates in relation to euro and may lead to foreign exchange translation differences and exposure to foreign exchange risk from the fluctuations of the exchange rate of USA dollar (USD), the Polish zloty (PLN), the Serbian dinar (RSD), the dinar of North Macedonia (MKD) and the Albanian lek (ALL) against Euro.

The following table presents the financial assets and liabilities in foreign currency:

(amounts in euro)	2019											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Financial assets	85	256	3,718	8,824	22,261	47,304	1,183	1,819	53,857	2,528	10,166	8,687
Financial liabilities	(439)	(5,175)	(2,328)	(4,754)	(14,674)	(21,478)	(1,346)	(845)	(92,966)	(13)	(7,085)	(3,940)
Total current assets	(354)	(4,919)	1,390	4,070	7,587	25,826	(163)	974	(39,109)	2,515	3,081	4,747
Financial assets	3	0	0	192	14	433	92	0	43,336	0	120	10
Financial liabilities	0	0	0	(5,071)	(325)	(443)	(117)	(48)	(579,841)	0	(33,543)	(32)
Total non-current assets	3	0	0	(4,879)	(311)	(10)	(25)	(48)	(536,505)	0	(33,423)	(22)

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(amounts in	2018											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Financial assets	177	18	1,171	9,681	20,082	46,755	490	2,678	39,049	2,471	12,245	10,146
Financial liabilities	(450)	(1,590)	(9)	(11,328)	(15,313)	(22,825)	(931)	(1,894)	(43,121)	(13)	(20,327)	(2,570)
Total current assets	(273)	(1,572)	1,162	(1,647)	4,769	23,930	(441)	784	(4,072)	2,458	(8,082)	7,576
Financial assets	3	0	0	261	14	1,105	90	0	37,687	0	114	10
Financial liabilities	0	(3,672)	0	(5,138)	(172)	(396)	0	0	(354,920)	0	(33,691)	0
Total non-current assets	3	(3,672)	0	(4,877)	(158)	709	90	0	(317,233)	0	(33,577)	10

The following table presents the sensitivity of Net Earnings as well as other comprehensive income to fluctuations of exchange rates through their effect on financial assets and liabilities. For BGN currency we did not examine the sensitivity as it maintains a stable exchange rate against euro. For all other currencies, we examined the sensitivity at a change of +/- 10%.

The table presents the effects of the +10% change. The effects of the -10% change are represented by the opposite amount.

	2019											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Effect on Net earnings	0	0	0	(3)	0	0	0	0	98	0	16	0
Effect on other comprehensive income	32	(833)	148	(435)	812	2,918	(358)	143	(57,437)	251	(3,033)	(1,448)
	2018											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Effect on Net earnings	0	0	0	0	0	0	0	3	351	0	15	0
Effect on other comprehensive income	(1,756)	936	289	(2,689)	(2,063)	1,454	(448)	177	(37,910)	(4)	(6,464)	(4,837)

To manage this category of risk, the Group's Management and financial department makes sure that the largest possible part of receivables (income) and liabilities (expenses) are realized in euro or in currencies pegged to the euro (i.e. the Bulgarian lev, BGN) or in the same currency in order to be matched against each other.

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INTEREST RATE RISK SENSITIVITY ANALYSIS

The policy of the Group is to minimize its exposure to the interest rate risk of long-term financing. On 31.12.2019, 28,68% of the Group's total debt bears stable interest rate (stable spread), 33,76% refer to total debt bears floating rate that are covering by cash flow hedges against changes in interest rates, while 37,56 bear floating interest rate based on euribor or wibor occasionally.

The following table presents the sensitivity of Net earnings for the period towards a reasonable change in interest rates (on receivables and liabilities) amounting to +/-20% (2018: +/-20%) on the variable part of the interest rate (eg Euribor 6M). The changes in interest rates are estimated to be normal in relation to current market conditions.

	2019		2018	
	20%	(20)%	20%	(20)%
Net earnings after income tax (from interest bearing liabilities)	(195)	195	(218)	218
Net earnings after income tax (from interest earning assets)	84	(84)	86	(86)

The Group is not exposed to other interest rate risks or price risk of securities whose price is traded on a financial market.

CREDIT RISK

The credit risk exposure of the Group is limited to financial assets, which are as follows:

	2019	2018
Receivables from derivatives	207,500	171,925
Cash and cash equivalents	594,671	523,242
Loans and receivables	629,127	740,972
Total	1,431,298	1,436,139

The Group continuously monitors its receivables, either separately or per group and encompasses any differences in its credit risk. In cases that is deemed necessary external reports related to current or potential customers are used.

The Group is not exposed to significant credit risk from customers' receivables. This is attributed to the fact that one the hand to the Group's policy which is focused on the cooperation with reliable clients and on the other to the activities' nature of the Group.

In particular, the whole amount of receivables, whether related to the narrow or the broader public segment, or clients with significant financial position in Greece and abroad, are under special monitoring and the Management constantly assesses the reliability of its customers, the size of each of them, regardless of whether they are a broader public or private entity, for possible implications, in order to take the necessary measures to minimize any implications for the Group.

It is to be noted, however, that there are some delays in payments by the public sector and companies controlled by it.

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The credit risk for the cash and the other receivables is considered limited given that the counterparties are reliable banks with high quality capital structure, the Greek State and the broader public sector and powerful Groups.

The delay in payments by broader public sector bodies and the climate that this economic crisis creates in these bodies also affects their contractual behavior, resulting to worsening our financial results and creating concern for the future.

The Management assumes that the aforementioned financial assets for which necessary impairment is calculated are of high credit quality.

LIQUIDITY RISK

The Group manages its liquidity needs by closely monitoring its long-term financial liabilities and the daily payments. The liquidity needs are monitored in different time-zones daily and weekly as well as in a rolling 30 day period. The liquidity needs for the coming 6 months and the coming year are estimated on a monthly basis.

The company maintains cash and deposits in banks in order to cover its liquidity needs for periods up to 30 days. The capital for long-term liquidity needs is disbursed from time-deposits of the Group. The maturity of financial liabilities on the 31st of December 2019 is analyzed as follows:

	0 to 12 months	1 to 5 years	Over 5 years
Long-term borrowing	105,123	509,889	1,278,884
Securities equivalent to financial liabilities	51,365	205,345	119,062
Liabilities from leases	10,175	6,751	6,863
Liabilities from derivatives	29,578	85,513	117,047
Short-term borrowing	130,598	0	0
Suppliers	264,344	0	0
Accrued and other short-term financial liabilities	46,391	0	0
Total	637,574	807,497	1,521,856

The respective maturity of financial liabilities for 31st December 2018 was as follows:

	0 to 12 months	1 to 5 years	Over 5 years
Long-term borrowing	145,575	552,276	1,015,512
Securities equivalent to financial liabilities	22,287	73,637	64,466
Liabilities from leases	5,335	6,547	0
Liabilities from derivatives	21,311	79,913	97,618
Short-term borrowing	125,421	0	0
Suppliers	285,927	0	0
Accrued and other short-term financial liabilities	77,278	0	0
Total	683,134	712,373	1,177,596

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The above contractual maturities reflect the gross cash flows, which may differ from the book values of liabilities during the balance sheet date.

48. FINANCIAL ASSETS AND LIABILITIES: PRESENTATION

The financial assets of the Group as well as the financial liabilities per category are analyzed as follows:

31.12.2019				
Financial Assets	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Listed shares and Mutual funds	0	3,407	0	3,407
Investments in securities	0	0	65,434	65,434
Financial assets from concessions	44,408	0	0	44,408
Other long-term receivables	88,977	0	0	88,977
Receivables from derivatives	0	193,177	14,322	207,500
Trade and other receivables	495,742	0	0	495,742
Cash and cash equivalents	594,671	0	0	594,671
Total	1,223,798	196,584	79,756	1,500,139

31.12.2018				
Financial Assets	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Listed shares and Mutual funds	0	1,264	0	1,264
Investments in securities	0	0	48,135	48,135
Financial assets from concessions	36,930	0	0	36,930
Other long-term receivables	88,629	0	0	88,629
Receivables from derivatives	0	167,996	3,929	171,925
Trade and other receivables	615,413	0	0	615,413
Cash and cash equivalents	523,242	0	0	523,242
Total	1,264,214	169,260	52,064	1,485,538

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31.12.2019

Financial Liabilities	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Long-term borrowing	1,893,896	0	0	1,893,896
Securities equivalent to financial liabilities	375,772	0	0	375,772
Other long-term liabilities	15,855	0	0	15,855
Trade and other receivables	310,735	0	0	310,735
Short-term borrowing	130,598	0	0	130,598
Liabilities from leases	13,614	0	0	13,614
Liabilities from derivatives	0	76	232,061	232,137
Total	2,740,470	76	232,061	2,972,607

31.12.2018

Financial Liabilities	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Long-term borrowing	1,713,363	0	0	1,713,363
Securities equivalent to financial liabilities	160,390	0	0	160,390
Other long-term liabilities	15,737	0	0	15,737
Trade and other receivables	363,205	0	0	363,205
Short-term borrowing	125,421	0	0	125,421
Liabilities from leases	11,882	0	0	11,882
Liabilities from derivatives	0	528	198,314	198,842
Total	2,389,998	528	198,314	2,588,840

49. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position of the Group are classified under the following 3 level hierarchy in order to determine and disclose the fair value of financial instruments per valuation technique:

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- **Level 1:** Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.
- **Level 2:** Investments that are valued at fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.
- **Level 3:** Investments that are valued at fair value, using valuation techniques, in which the data that significantly affects the fair value, is not based on observable market data.

The Group and the Company financial assets and liabilities measured at fair value on 31.12.2019 and 31.12.2018 are classified in the aforementioned levels of hierarchy as follows:

	31.12.2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Listed shares (Financial assets at fair value through results)	3,223	0	0	3,223
Mutual Funds (Financial assets at fair value through results)	183	0	0	183
Investments in securities	0	0	65,434	65,434
Receivables from derivatives	0	0	207,500	207,500
Total	3,407	0	272,934	276,341
Financial Liabilities				
Liabilities from derivatives	0	223,482	8,656	232,137
Total	0	223,482	8,656	232,137
Net fair value	3,407	(223,482)	264,279	44,204

	31.12.2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Listed shares (Financial assets at fair value through results)	1,129	0	0	1,129
Mutual Funds (Financial assets at fair value through results)	135	0	0	135
Investments in securities	0	0	48,135	48,135
Receivables from derivatives	0	625	171,300	171,925
Total	1,264	625	219,435	221,324
Financial Liabilities				
Liabilities from derivatives		195,392	3,449	198,841
Total	0	195,392	3,449	198,841
Net fair value	1,264	(194,767)	215,986	22,484

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There were no changes in valuation technique applied by the Group within the period. There were no transfers between Levels 1 and 2 during the period ended as at 31.12.2019 and within financial year 2018.

Fair value measurement of Level 3 financial instruments

The changes in the Group's financial instruments classified in Level 3 during the period ended as at 31.12.2019 and within financial year 2018 are as follows:

	1.1-31.12.2019		1.1-31.12.2018	
	Investments in securities	Derivatives	Investments in securities	Derivatives
Opening balance	48,135	167,851	47,461	181,778
Proceeds	0	(18,715)	0	(18,702)
Acquisitions/(Sales)	596	0	68	0
Effect from company acquisition (note 7.1)	0	7,470	0	0
Effect valuation in Profit / (loss)	0	43,946	0	7,007
Profit /(loss) in Other Comprehensive Income	16,703	(1,594)	606	(2,240)
Foreign exchange differences	0	(112)	0	8
Closing balance	65,434	198,845	48,135	167,851

Regarding the above, the amount of 198.845 (167.851 as at 31.12.18) pertains to the value of embedded derivative and the value of the receivables form electric energy prices risk hedging derivatives 207.500 (171.300 as at 31.12.18) and liability 8.655 (3.449 as at 31.12.2018).

Assets of level 3 are related to investments in non-listed companies with participation less than 20% (Note 21) and assets from imbedded derivatives (Note 33). These investments are analyzed as follows:

	Fair value of investment 31.12.2019	Fair value calculation method	Other Information
Embedded Derivative	193,177	Discount of future cash flows	The following data was used for the discounting: - Estimated flows for the period 2020 - 2038 211 million euro. - Average interest rates for the period 2020-2038 1.42% - Average Discount Factor for the period 2020 - 2038 0.85

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Receivables / (Obligations) from Interest Rate Swap Derivatives (IRS)	5,667	Discount of future cash flows	The following data was used discounting the estimated future value into present value
REBIKAT SA	290	Equity method at fair values	Fair value of equity on 31.12.2019
ABIES SA	246	Equity method at fair values	Fair value of equity on 31.12.2019
EUROTERRA SA	4,646	Equity method at fair values	Fair value of equity on 31.12.2019
EUROSAK SA	771	Equity method at fair values	Fair value of equity on 31.12.2019
OLYMPIA ROAD	51,700	Discounted dividend yield method	Cost of Capital 9,09%
OLYMPIA ROAD OPERATION	7,100	Discounted dividend yield method	Cost of Capital 9,09%
OTHER INVESTMENTS	682	Equity method at fair values	Fair value of equity on 31.12.2019
Total	264,278		

Financial assets and liabilities of Level 2 relate to risk hedging derivatives. These investments are analyzed as follows:

	Fair value of investment 31.12.2019	Fair value calculation method	Other Information
Receivables / (Obligations) from Interest Rate Swap Derivatives (IRS)	(223,482)	Valuation by credit institutions: BBVA, EUROBANK, FORTIS, NOVO, PIRAEUS, NATIONAL BANK, STANTANDER combined with an internal valuation using interest rate curves	
Total	(223,482)		

The book values of the following financial assets and liabilities approximate their fair value because of their short-term nature:

- Trade and other receivables
- Cash available
- Suppliers and other liabilities

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50. POLICIES AND PROCEDURES FOR CAPITAL MANAGEMENT

The aims of GEK TERNA Group regarding the management of its capital are as follows:

- To ensure the ability of the Group to continue its activity (going-concern) and
- To secure a satisfactory capital structure and return for its shareholders.

The Group defines the level of capital in proportion to the risk of its activities, it monitors the developments of the economic environment and their effect on the risk characteristics, and it manages the capital structure (relation of debt to equity) with the adjustment of the amount and maturity of debt, the issue of new shares or the return of capital to shareholders, with the adjustment of the dividend and the sale of individual or a group of assets.

For this purpose, the Management monitors the financial leverage of the Group on the basis of the ratio which is defined as: Total Bank debt/ Total Capital Employed. "Total bank debt" is defined as the sum of Short Term Loans, Long Term Loans, Bank lease liabilities and Long term liabilities payable during the next financial year. The "Total Capital Employed" is defined as the sum of Total Equity, Total bank debt and Equity investments equivalent to financial liabilities (Note 26), the repayment of which follows the repayment of primary debt of the corresponding Wind Farms and is performed only to the extent that the required return from their operation is met, the state grants minus the amount of cash and cash equivalents which are not subject to any limitation in use or to any commitment..

The ratio at the end of 2019 and 2018 was as follows:

	GROUP	
	31.12.2019	31.12.2018
Total bank debt (Note 6)	2,031,342	1,850,666
Total equity	766,875	728,998
Equity investments equivalent to financial liabilities (Note 26)	375,772	160,390
Grants (Note 29)	154,699	162,000
<u>Less:</u>		
Cash and cash equivalents (Note 23)	(594,671)	(523,242)
Blocked bank deposit accounts (Note 20))	(51,547)	(63,908)
Approved and collected grants to be returned (Note 31)	3,024	3,024
Cash and cash equivalents and deposits	(643,194)	(584,126)
Total Capital Employed	2,685,494	2,317,928
Total Bank Debt / Total Capital Employed	75.64%	79.84%

51. CONTINGENT LIABILITIES AND ASSETS

51.1 Tax unaudited years

The tax obligations of the Group are not definitive as there are unaudited tax years, which are analyzed in Note 5 to the Financial Statements for the period ended as at 31.12.2019.

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For the unaudited tax years it is possible that additional taxes and surcharges can be imposed at the time when they are examined and finalized. The Group makes an annual estimate of the contingent liabilities that are expected to arise from the tax audit of past years, making relevant provisions were deemed necessary. The Group has made provision for unaudited tax years of 4,610 (31.12.2018: 3,460).

Under circulars POL 1154/2017, POL 1191/2017, POL 1192/2017, POL 1194/2017 and POL. 1208/2017, the Governor of the Independent Public Revenue Authority (AADE) provided instructions for the equitable implementation of what was approved under num. StE 1738/2017 (Olom.), StE 2932/2017, StE 2934/2017 and StE 2935/2017 decisions of the Council of State (StE) as well as num. 268/2017 Opinion of the Legal Council of the State (NSK).

The above circulars present a five-year limitation period - based on the general rule - for FYs from 2012 thereafter, as well as for the tax years for which the Code of Tax Procedure - CTP applies (from 2014 thereafter), except for special exceptions as defined in the relevant provisions of the CTP.

Therefore, and in accordance with the provisions of POL. 1192/2017, the right of the State for tax attribution until the fiscal year 2013 has expired within the fiscal year 2019, unless there is a case of application of the special provisions regarding 10, 15 and 20 years of limitation. The unaudited years per Group Company are analytically presented in Note 5.

The Management considers that in addition to the provisions made, any tax amounts that may arise will not have a material impact on equity, profit or loss and cash flows of the Group and the Company.

Tax Compliance Certificate

For the years 2011 and until 2015, the companies of the Group operating in Greece and meeting the relevant criteria for tax auditing by the Certified Public Accountants have received a Certificate on Tax Compliance according to par. 5 of article 82 of Law 2238/1994 and Article 65A paragraph 1 of Law 4174/2013, without any substantial differences. It should be noted that, according to Circular POL. 1006/2016, the companies which have been subject to the above special tax audit are not exempted from the regular tax audit by the competent tax authorities. Furthermore, according to the relevant legislation, for the years 2016 onwards, the audit and issue of the Tax Compliance Certificate is valid on a voluntary basis. In this context, a tax compliance certificate for the year 2016 and 2017 was received by the parent company and the Greek subsidiaries of the renewable energy sector. Regarding 2018, most of the Group companies in Greece received tax compliance certificate.

Similarly for the Group companies in Greece, which are compliant with the relevant criteria of being subject to the tax audit, the special audit for the issuance of the Tax Compliance Certificate for the year 2019 is in progress and the relevant tax certificates are to be issued after the publication of the financial statements of 31.12.2019. At the end of the tax audit, Management does not expect significant tax liabilities to incur other than those recorded and reflected in the Group's and Company's financial statements. It should be noted that, according to the issues mentioned in the Circular POL. 1192/2017, the right of the State for a tax charge up to and including the year 2013 has lapsed unless the specific provisions on 10-year, 15-year, and 20-year limitation periods apply.

51.2 Commitments from construction contracts

The backlog of the construction contracts of the Group amounts to Euro 1,661 million on 31.12.2019 (Euro 1,618 million on 31.12.2018). Under these commitments, the Group has issued letters of guarantee at an amount of EUR 897 million (against Euro 1,017 million on 31.12.2018).

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Claims of "Public Power Company SA" (PPC) against joint venture "METKA SA - TERNA SA " in the context of the final delivery of the unit V of Megalopolis B

In the context of the project "AHS Megalopolis - Study, Supply, Transport, Installation and Position in Unit 5 of the Combined Circuit Unit, Net Power in Reporting Conditions 811 MW, with Natural Gas Fuel / T&HGBU-11072251", whose contractor is the joint venture METKA SA - TERNA SA, the Public Power Corporation SA (PPC SA) disclosed to the contractor a letter/approval of the final acceptance protocol of the Unit, in which it raises claims of Euro 60,213,150.75 for criminal clauses, Euro 25,743,299.46 for the settlement of technical issues recorded in pending to be issued relative tables and Euro 2,400,000 for non-delivered spare parts and tools. The PPC withholds all the letters of guarantee provided by the contractor, while requesting an additional letter of guarantee of Euro 2,660,000 for parts of the equipment, regarding which the warranty period has not expired.

Respectively, the joint venture contractor submitted objections to PPC SA, which were not taken into account during the approval of the final acceptance protocol, in which the contractor submitted its own claims against PPC SA, totaling Euro 90,750,045.87 (an amount of Euro 82.649.328 concerning compensation claims). Regarding the claims made by the comparator, PPC SA recognized an amount of Euro 1,309,909.68, which was offset with the amount of its receivables. According to the legal consultants handling the case, the dispute will be resolved through friendly negotiations, and should such negotiations fail - the contractor will resort to arbitration, the outcome of which is assessed by the joint venture's legal consultants as positive for joint venture METKA SA - TERNA SA, so that the final balance of the claims on both sides is not negative for the latter.

51.3 Court cases

The Company and its consolidated companies are involved (in their capacity as defendant and plaintiff) in various court cases in the context of their normal operation. In particular, in the case of legal proceedings against the Group for accidents at work that occurred during the execution of construction works, it is noted that the Group is insured against accidents at work and therefore no significant burden is expected to arise from the possible negative outcome of such court cases.

The Group makes provisions in the financial statements for outstanding legal cases when it is probable that an outflow of resources will be required to settle the obligation and that this amount can be reliably estimated. In this context, the Group has recognized as of 31.12.2019 provisions of 4,838 (31.12.2018 5,143) for litigations (see Note 28).

The Management, as well as the legal advisors, consider that, apart from the above-mentioned provisions, pending cases are expected to be settled without significant adverse effects on the consolidated financial position of the Group or the Company or the results of their operation, beyond the already established provision for litigations.

Client claims against Joint Venture "SIEMENS A.G. - AKTOR SA - TERNA SA" in which the Group participates and the counterpart claim of the Joint Venture

On 29.12.2015, the Hellenic Railways Organization ("OSE") filed a litigation to the Piraeus Court of Appeal against the joint venture under the title "SIEMENS A.G. - AKTOR SA - TERNA SA", whose member is a subsidiary of the Issuer, TERNA SA.

The legal dispute arose from the project "Renovation of a railway line and manufacture of signaling electrification, - telecommunication in the part of Piraeus - Athens - Three bridges - SKA - Acharnes / Three bridges - Ano Liossia (connection to SKA – Korinthos High Speed Railway Line)", whose contractor was the aforementioned joint venture, following the decision made by OSE on the final cessation of operations and termination of no. 994/2005 project implementation agreement.

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OSE demands that the joint venture should pay the amount of € 22,062,281.10 plus interest as from 5.12.2014, otherwise from 31.12.2015, as unduly paid, on the ground that this amount does not correspond to a contractual benefit that OSE received from the joint venture. In particular, based on the aforementioned litigation, this amount constitutes a deviation, on the one hand between the work invoiced by the joint venture "Siemens AG - Aktor SA - Terna SA" and paid by OSE to the joint venture, and, on the other hand, the revised (by OSE) final measurement of the conducted work and the project. In addition, a payment of Euro 624,479.17 plus interest is requested as from 01.09.2011, otherwise from 31.12.2015, which corresponds to the unamortized part of the prepayment that had been paid to the joint venture contractor of the project, in the context of its implementation.

The hearing of the case had been initially scheduled for 21.09.2017, however, after cancellations and postponements, was rescheduled for 05.12.2019, when it was also canceled. It has already been rescheduled for hearing on 18.03.2021.

At a stage prior to the aforementioned OSE litigation, the joint venture contractor of the project and the companies participating in it, as at 30.03.2012 have filed an appeal against OSE and against the final measurement of the project so that it should be revised. This appeal, initially rejected by the Piraeus Court of Appeal for formal reasons, was again referred to the five-member Piraeus Court of Appeal under no. 1038/2017 decision of the Supreme Court published on 16.06.2017. The above appeal was heard, after being postponed, on 17.1.2019 and the decision is to be issued. The decisions issued so far on the above dispute by both the Piraeus Court of Appeal and the Supreme Court, do not address the substance of the legal dispute, but only concern the formal issues.

The members of the joint venture "Siemens AG - Aktor SA - Terna SA" are jointly and severally liable to OSE. Regarding the internal relations between the members of the joint venture, every member bears relative responsibilities according to its participation rate, i.e. TERNA SA - by 37.5%, AKTOR SA - by 37.5% and SIEMENS AG - by 25%, as arising from the no. 15158 / 26.08.2003 Act of the notary of Athens, Eleni Theodorakopoulou.

According to the Company, regarding the case in question, the legal consultants who handle it, estimate that a positive outcome is possible. Furthermore, no provision has been recognized, as according to the Company's Management a) the existence of a commitment has not been finalized so far, b) it is not probable that there will be an outflow of financial resources and c) the relevant amount cannot be reliably estimated.

Claims against Joint Venture «TERNA SA – SICES Construction SPA» in which the Group participates

On 20.12.2019, VIOTEK Anonymous Technical Commercial and Industrial Company (hereinafter "VIOTEK") filed a litigation to the Athens Multi-Member Court of First Instance against the joint venture under the title "TERNA SA – SICES Construction SPA", whose member the subsidiary of the Issuer, TERNA, is. The legal dispute arose under the project "Upgrading ELPE Elefsina refineries-Mechanical Works (Area 1)", regarding the contracting joint venture, which subcontracted to VIOTEK the operations of "Pre-construction and construction of the pipelines – construction of supports of the U32 unit", in compliance with the agreement signed in July 2010. This project has been completed and finally delivered to the client on 02.05.2014.

Although on 04.03.2020 VIOTEK submitted to Athens Multi-Member Court of First Instance its resignation from the above lawsuit, it was expressly reserved regarding its re-exercising, stating that its resignation from the lawsuit is due to inability to pay the required court duties.

VIOTEK's claim against the joint venture amounts to Euro 14,534,450.06, plus legal interest and VAT. The members of the joint venture "Terna SA - SICES Construction SPA" are jointly and severally liable to VIOTEK. Regarding the internal relations between the members of the joint venture, every member bears relative responsibilities according to its participation rate, i.e. TERNA SA - by 50% and SICES Construction SPA - by 50%, as arising from the private joint venture agreement as of 28.05.2010, as amended.

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The legal consultants handling the case believe that VIOTEK's claim has little chance of success at court. However, the joint venture, in the event of a potentially adverse outcome of this case, has burdened the results of previous years by adjusting the estimated cost of the project.

Legal claims against TERNA ENERGY sub-group/ Contingent receivables

- Legal action was taken against Terna Energy S.A. by the residents of the Municipality of Sitia, Lassithi, Crete regarding a total amount of 2,523 for tort law property and moral damage due to the Company's acquisition of a license for a locally established Wind Farm electricity production. According to the Company's legal consultants, the lawsuit will not be settled successfully for the claimant.
- Epirus Prefecture, under num. 45431/142/01.04.2019 disclosed to the company of a penalty amount of 690 due to failure to make available the Epirus Prefecture Waste Treatment Plant Services at the Scheduled Date, in accordance with the terms of 21.07.2017 Agreement. The company considers that the delay in not achieving service availability on the Scheduled Date is not due to its fault, and will therefore resort to the arbitration procedure provided for in the Agreement to cancel that penalty. The Group's Management estimates that the penalties imposed will not be settled successfully and the company will not be subject to financial burdens. This assessment is also based on the submitted Arbitration Appeal – Arbitrator Appointment and Arbitrator Referee Appointment Invitation with which AEIFORIKI EPIRUS MAE raises its own objections, claims, and demands. In particular, on 23.07.2019, AEIFORIKI EPIRUS S.A. submitted to the Prefecture of Epirus Arbitration Appeal – Arbitrator Appointment and Arbitrator Referee Appointment Invitation as of 19.07.2019 asking to define as unlawful a fine of 690 imposed on it as well as the return of the following amounts to the company with the legally effective default interest: (a) 989 as compensation for material damage causing prolongation of the construction period; (b) 697 as compensation for loss of income during the above period; (c) 325 as compensation for the cost of carrying out additional MAE Epirus control tests, (d) 817 as compensation for loss of revenue during the first year of operation of MAE Epirus, (e) 1,048 as compensation for the loss of revenue during the second year of operation of MAE Epirus. The dispute will be resolved in accordance with the provisions of the Code of Civil Procedure on Arbitration.
The parties have already appointed each of their arbitrators, and in the absence of arbitrators' agreement, the company has filed an application for arbitrator designation with the Athens Court of First Instance, to which the Prefecture intervened, seeking its dismissal. The application and the main intervention were discussed on 10.01.2020 and the decision is pending.
- Lawsuit was filed against Panama domiciled company SILVER SUN SHIPPING S.A., which also operates office premises in Greece, regarding tort law payment of 18,514 in compensation for loss and adverse effect of profits suffered by the Company due to damage. On 13.03.2018, decision No. 1291/2018 was issued justifying a part of the lawsuit, and the Company is to receive an amount of 12,034 from the beginning of 2017. Since the aforementioned decision established that TERNA ENERGY AI GIORGIS S.A. was co-responsible for damage at a percentage of 35%, the company has appealed to the Three-Member Court of Appeal of Piraeus against the decision No. 1291/2018, set for hearing on 15.11.2018. On the same date, the appeal, made by the opponent against the decision No. 1291/2018 was also to be heard. Non-final decision No. 563/2019 of the court of appeal of Piraeus was issued ordering the conduct of an expert report, which is already in progress. At the same time, TERNA ENERGY AI GIORGIS SA has filed a lawsuit against the insurance company under the title UK PROTECTION & INDEMNITY CLUB (UK P&I CLUB), requesting that the defendant insurance company should pay its subsidiary SILVER SUN SHIPPING SA, the amount of 18,514. The lawsuit was heard on 19.10.2017 and the decision No. 1394/2018 was issued rejecting the lawsuit. The possibility of making an appeal is examined.

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51.4 Tender procedures

The Hellenic Competition Commission (HCC), ex officio audited GEK TERNA Company, its subsidiaries TERNA and TERNA ENERGY, as well as almost all Greek Construction Companies, as well as a significant number of foreign companies concerning their actions and acts, which could be considered to be in breach of the relevant rules.

Further, the Company and its above subsidiaries, pursuant to article 25a of Law 3959/2011 and the decision num. 628/2016 of HCC (Plenary Session) and following considerable concern, submitted, on the grounds of an apparent corporate interest and in order beneficial provisions of article 25A and 14 par. 2 case (id)(ee) of Law 3959/2011 and the decision with no. 628/2016 of HCC, regarding the terms, conditions and procedure for resolving disputes in cases of horizontal partnerships in violation of Article 1 of Law 3959/2011 and/or Article 101 of the Treaty on the Functioning of the European Union, the request to be subject to the prescribed disputes settlement procedures, i.e. through a consensual resolution process.

On 03.08.2017, the decision num. 642/09.03.2017 of the HCC was disclosed to the Company and its subsidiaries TERNA and TERNA ENERGY, whereby a. It was ascertained that no legal violations of Art. 1 of Law 3959/2011 for the Company and TERNA ENERGY were established and no fine and/or penalty is imposed and b. a fine of Euro 18,612 is imposed on the subsidiary company TERNA SA for violation of article 1 of Law 3959/2011 and article 101 of TFEU (for the period from 11.05.2005 to 04.01.2007 and from 04.06.2011 to 26.11.2012). The settlement procedure for the subsidiary TERNA was finalized and the amount of the fine amounted to 18,612, which was paid in full within 2018.

Furthermore, according to the provisions of art. 44 par. 3 of Law 3959/2011, in combination with the article 73 par.4 case c) of Law 4412/2016 as in force today, after being amended by article 235 of Law 4635/2019, (Government Gazette A 167/30.10.2019) by subjecting it to article 25a of Law 3959/2011 and TERNA's payment of the administrative fine imposed, as stated, in total exemption from any other administrative sanctions, which undoubtedly includes the administrative exclusion from ongoing and future tender procedures or concessions.

Needless to note that the Group and its companies, as well as TERNA, have voluntarily adopted a series of compliance and remedial measures, which are constantly evolving and updated, further demonstrating their credibility and solvency.

52. POST STATEMENT OF FINANCIAL POSITION REPORTING DATE EVENTS

- By January 2020, the subsidiary TERNA S.A. received financing of a total amount of 42 million, Euro 39 million of which has been allocated to an increase in the share capital of the affiliated company INTERNATIONAL AIRPORT OF HERAKLION CRETE S.A. based on the terms of the concession agreement.
- GEK TERNA SA, as a member of INSPIRE ATHENS, was notified about the decision of the independent administrative authority "Hellenic Gaming Commission (HGC)", in line with the Minutes of the Committee for the concession of a wide-range activities Casino Operating License (EKAZ) in the Hellinikon - Agios Kosmas Metropolitan Pole. The decision pertains to the results of the evaluation phase of the Bidders' Entry Documents. Under the aforementioned decisions, (as announced in the official Press Release of the HGC issued on 20.01.2020), the Bid submitted by SHRE / SHRI, LLC, has been rejected and the Bid, submitted by INSPIRE ATHENS, comprising "MGE Hellinikon BV", "Mohegan Gaming Advisors, LLC" and "GEK TERNA SA" has been accepted.

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- On 06.02.2020, in line with the Terms of the Concession Agreement, the Greek State issued the "License for Establishment and Construction of the New International Airport of Heraklion, Crete" to the company INTERNATIONAL AIRPORT OF HERAKLION CRETE S.A. The above date is hereinafter the date of commencement of the concession. The project will be constructed entirely by the subsidiary TERNA SA. The contractual duration of the concession period is set at thirty-five (35) years from the date of commencement of the concession and includes a five-year study-construction period.
- On 10.02.2020, the Group through sub-group TERNA ENERGY donated Euro 3.5 million to Hellenic Armed Forces.

The Group will fully cover the cost of the study, design, and construction of all required projects for the purposes of:

(a) Turning 115 Military Airport (Souda) into a Net Zero Carbon Emissions facility.

(b) Meeting the needs for electricity, heating and cooling facilities at the 115 Military Airport in Souda, 100% from Net Zero Energy Airport and 'electrify' transfers within the Airport.

The 115 Military Airport in Souda will be one of the first installations in the world to receive the certification, while the annual benefit of fully discharging the Unit from the cost of electricity supply and heating needs, will exceed Euro 400 k. This way, the 115 Military Airport will make a significant contribution to addressing climate change and will be equipped with state-of-the-art intelligent energy management systems, without reducing its operational capacity. For the implementation of the necessary projects, the Company will cooperate with the specialized company Easy Power. The budget of the proposal exceeds Euro 3.5 million, while the time required for completion of the project is estimated to be approximately six (6) months from the day of official acceptance of the grant by the Government Gazette and the signing of the relevant contract with the Ministry of National Defense.

- On 26.02.2020, the Board of Directors of GEK TERNA S.A. decided to issue a common bond loan, amounting up to five hundred million Euro (Euro 500,000,000). The bonds will be made available to the public in Greece and will be listed in the fixed income securities category of ATHEX regulated market (the "Issuance"). The Issuance will take place following the legal approval of the Hellenic Capital Market Commission and Athens Stock Exchange given that the Loan is covered at least at the amount of four hundred million euros (Euro 400,000,000).
Through the Issuance, in the context of implementing its business plan during the following years, the Company seeks to finance further development of its Group through existing and/or new investments, making a significant contribution to development and stimulation of the Greek economy and growth of the country's GDP. In particular, the funds raised from the Issuance (after deducting the Expenditure) will be mostly used to finance (through share capital increase and/or borrowings) the existing and/or new investments of the Group in the operations related to concessions, infrastructure, and energy.
- On 12.03.2020, GEK TERNA S.A. informed the investors that following the acquisition of equity shares on 11.03.2020, equity shares held by the Company directly met the threshold of 5%. In particular, the number of equity shares held after the transaction amounted to 5,172,059, i.e. 5,0009% of the share capital. It is to be noted that the subsidiary TERNA S.A. owns 688,205 equity shares, i.e. 0.6654% of the share capital and the subsidiary ILIOCHORA S.A. owns 616,835 shares, i.e. 0.5964% of the share capital and therefore the total number of equity shares directly and indirectly held after the transaction stands at 6,477,099, i.e. 6,2627% of the share capital.

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- The Group has announced through its sub-group TERNA ENERGY S.A. as at 16/03/2020 that continuing its investment plan in Greece, it is proceeding with the implementation of new investments in the production of clean energy, with a total budget of Euro 550 million. In this context, the Company is expected to start the construction of new wind farms in Euboea within the next period, as it has completed the acquisition of the portfolio of licensed and under process licensed 270 MW wind farms of the company "RF Omalies S.A." by RF ENERGY S.A.

At this stage, the construction of wind farms with a total capacity of more than 180 MW is projected, resulting in the total power of the new wind farms launched on the Greek RES market by sub-group TERNA ENERGY, exceeding 400 MW and the total investment value of 550 million euro. In addition to the aforementioned new investments in wind farms in Euboea, the Group has already launched additional investments, which relate to new wind farms in various areas of Greece, environmental projects and clean energy projects, such as the Amari Hybrid Station in Crete and the pumping project in Amfilochia. These are two extremely significant investments of approximately Euro 800 million, required to balance transmission networks and transition to a carbon-free economy.

- On 19.03.2020, the Repeated Bondholders Assembly took place, according to the Invitation of the Bondholders of GEK TERNA CBL 2018 to Meeting dated 06.03.2020, of the bond loan issued pursuant to the Common Bond Loan Programme of an amount up to Euro 120,000,000 and Agreement on Appointment of the Bondholder Agent, dated 22.03.2018 ("CBL 2018 Programme"). The Repeated Meeting approved the relative amendments to the CBL 2018 Programme, subject to the issuance by GEK TERNA of a Common Bond Loan up to five hundred million Euro (Euro 500,000,000). The bonds will be made available to the public in Greece and will be listed in the fixed income securities category of ATHEX regulated market (the "Loan"). The Repeated Bondholders Meeting authorized the Bondholders Representative to sign the amendment agreement regarding the terms of the CBL 2018 Programme.
- Under Law 3556/2007, on 24.03.2020, GEK TERNA, following the announcement dated as at 19.04.2019, informed the investors that it had received notification from the shareholder REGGEBORGH INVEST B.V. that on 20.03.2020 the date of exercising the option of the financial instrument it held had expired, which could result in acquisition of 7,909,588 shares and voting rights, i.e. a percentage of 7,6477% of the Company's total voting rights. Therefore, the number of shares and an equal number of voting rights, once the aforementioned deadline had expired, stood at 25,968,005 shares and voting rights, i.e. 25,1084% of the Company's total voting rights, standing at 103.423.291.

Under Law 3556/2007, on 26.03.2020, GEK TERNA informed the investors that on that day, it had received notification from the shareholder REGGEBORGH INVEST B.V. that on 24.03.2020 a change (an increase) was performed in the voting rights of the aforementioned shareholder, following which REGGEBORGH INVEST B.V. holds a percentage of 30,2562% of GEK TERNA S.A. voting rights.

- In the first quarter of 2020, TERNA ENERGY group companies received additional short-term financing totaling Euro 134 million, Euro 77 million of which are related to Euboea wind farms.
- On 30.03.2020, TERNA SA (100% subsidiary of GEK TERNA Group) announced that in a joint venture with SIEMENS (association of companies SIEMENS - TERNA) the contractor of the project "Study, Supply and Installation of Two Conversion Stations and a Substation - Crystalline Substation" was selected. As announced by "Ariadne Interconnection", a subsidiary of the IPTO Group, the total budget of the project amounts to 370 million euros.

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Of this, Euro 358.6 million relates to the construction of conversion stations and Euro 11.4 million to their maintenance. The contract has a duration of 36 months and will be signed after its approval by the Court of Auditors. According to the same announcement, the project will be included for co-financing in the Operational Program "Competitiveness, Entrepreneurship and Innovation" in the framework of the NSRF 2014 - 2020.

- In March 2020, GEK TERNA and TERNA ENERGY Groups decided, after on-going communication with the Ministry of Health and with Hospital Administrations in various areas of the country, to purchase machinery and materials necessary to facilitate their work. In this context, they acquired:
 - Full equipment for the operation of eight (8) ICU (intensive care unit) beds at "Attikon" Hospital, to meet the needs of the Intensive Care Unit of the University Hospital. The equipment includes eight (8) respirators (one of which is portable for ICU flexibility and transport), nine (9) state-of-the-art monitors (one of which is portable for ICU flexibility and transport), one central monitoring station (for up to 16 monitors), and 18 syringe infusion pumps.
 - Uniforms, masks, antiseptics etc., and other essential supplies for "Evangelismos Hospital" for the protection of the medical and nursing staff of the hospital.
 - Respirators, medical equipment, consumables, and kiosks (first reception areas for possible medical occurrences) in regional hospitals (Ioannina, Serres, and "Bodosakeio" Ptolemaida).

- **Public Health Crisis caused by Coronavirus Pandemic (COVID-19)**

GEK TERNA Group is one of the most significant Greek business groups, which holds a leading position in the domains of infrastructure, clean energy, electricity generation, and concessions. The Management determines that the Group operates in the domains that are more defensive during the phases of the economic cycle and are recognized by the investors as "safe haven" that provides stable repeatable cash flows even in times of turmoil and uncertainty, such as the current crisis. Furthermore, during the Greek financial crisis, (i.e. the most difficult and longest financial crisis in Europe), the Group has already demonstrated its ability to develop and strengthen its position in the market.

On 30.01.2020, the World Health Organization (WHO) declared that the spread of COVID-19 virus has generated an "extraordinary need for protecting international public health", and following further developments, on 11.03.2020, the WHO declared COVID-19 pandemic that has spread worldwide. The spread of the virus is ongoing and, therefore, its effects cannot be estimated or quantified. Duration and severity of the effects are expected to be determined by the factors, such as: (i) whether the virus is subject to seasonal periodicity, (ii) how long it will take to develop effective methods of treating the disease (vaccine and/or treatment), (iii) the effectiveness of the fiscal and other measures of the countries as well as the decisions of the banking supervisory authorities to facilitate the banking institutions in providing liquidity and support to businesses and households.

In view of the above, and in accordance with the provisions of IAS 10 "Events after the Reporting Period", the pandemic is regarded as a non-adjusting event and is, therefore, not reflected in recognition and measurement of assets and liabilities in the annual financial statements of the Group and the Company for the period 01.01 – 31.12.2019.

As stated in Morgan Stanley Report (published on 25.03.2020 under the title "Coronavirus: Recession, Response, Recovery"), falling demand and disruptions in supply chains in general are expected to lead to a global economic downturn. However, according to the report, the strong monetary and fiscal policies in place to stem the effects of the pandemic could function as the basis for a recovery, expected to begin in the second half of the current year.

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The growing turmoil in the US economy seems to be crucial to this prospect. U.S. economists expect a full-year 2020 contraction of 3.0% instead of the previous 0.6% growth forecast. Such a decline would reduce global growth to 0.3% in 2020 from the 3.4% forecast before the outbreak of the pandemic (near the bottom of the global financial crisis of 2009, when the global economy shrank by 0.5%). Given the key assumption that the pandemic crisis is expected to peak in April / May 2020, most of the economic hardship could be concentrated in the first half of 2020, with the global economy shrinking by 0.6% and 2.1% on an annual basis %, respectively, in the first and second quarters of 2020. Subsequently and given the estimate that recovery will first appear in the third quarter of 2020, the global economy could recover to 4.8% in 2021, while growth of the Eurozone countries could recover by 5.5% in 2021. Furthermore, a related article in the Financial Times on the business segments that are more resilient during the economic cycle in terms of uncertainty and turmoil such as that of the pandemic, points out energy and infrastructure segments.

As part of public health protection, many countries have adopted emergency, temporary and costly restraint measures (some countries have required companies to restrict or even suspend their usual business activities). Governments, including the Hellenic Republic, have imposed restrictions on traffic, travel, and have introduced strict quarantine measures. Specifically, in Greece, as from 20.03.2020, strict measures were gradually imposed until 04.05.2020 in order to safeguard public health and ensure economic survival of employees, businesses and protect the vulnerable groups. After 04.05.2020, the measures of the lockdown, implemented by the Greek Government, began to be gradually removed and the government's plan for the gradual transition to the new reality began to unfold.

The Group's management, with an extremely high sense of responsibility towards its customers, employees, suppliers, partners and investors, monitors developments regarding the coronavirus disease (COVID-19) and studies the potential risk factors that could affect the Group's financial position, operations, and results.

(i) Group Organizational Planning

Following the first announcements and focusing its priorities on health and safety of its employees and associates, the Group's management reacted quickly and decisively: it scheduled and immediately began to implement a plan of measures and actions, mainly aimed at: creating a safe working environment for all the employees in line with adopting remote work policies whenever feasible and necessary, facilitating security and utilization of the most modern information technology in order to limit travel and transportation, performing video conferences and introducing modern, flexible ways of working depending on individual or special needs of groups of employees. Extremely strict rules of operation have been adopted at all points of presence and operation of the Group in Greece and abroad, in order to constantly ensure the highest possible level of safety for all.

At the same time, the Group implemented a program of safe repatriation of its executives and employees from Cyprus in full compliance with the decisions and instructions of the national authorities. In particular, on 01.04.2020, TERNA S.A. (100% subsidiary of GEK TERNA) announced that the process of secure repatriation of approximately 400 employees from Cyprus, previously located at the Group's subsidiaries construction sites is being completed, following the Cypriot government's decision to close all sites in the country (the relative decision was revoked on 04.05.2020). For the vast majority of employees, the repatriation procedure is conducted through special flights organized by TERNA S.A. in collaboration with Aegean Airlines. For repatriated employees, all procedures provided by the State and the National Public Health Organization (NPHO) are followed and GEK TERNA Group has ensured their safe transition to their places of residence, both inside and outside Athens.

(ii) Effects of COVID-19 per major business segment of the Group and measures to limit them

The Group has taken all the necessary measures in order to facilitate its going concern regarding its key operations, continuing its construction activities, exploiting RES and Concessions, and its investment program in energy and concession sectors and strengthening its efforts aimed at stabilization of the Greek economy and employment. The following information is presented below per sector:

Electric Energy from RES Operating Segment:

Electric Energy from RES Operating Segment includes the corresponding activities of TERNA ENERGY Group. The public policy measures that have been taken and / or will be taken by the Greek government in order to limit the spread of COVID-19 disease are not expected to disrupt the operations of this segment.

The Management has examined the specific conditions that could have a significant impact on the business operations of RES segment and the risks to which it is exposed. Based on the current events and circumstances regarding the spread of COVID-19 pandemic, such conditions are analyzed as follows:

- Regarding the domestic operations in RES, no effects are expected, an estimate based on the nature of the operations and the existence of long-term contracts with fixed pricing mechanisms (FiT / FiP) that provide stable repeatable cash flows. Regarding foreign operations, the Management of the Group constantly evaluates the potential effects of price fluctuations in the energy market. Moreover, TERNA ENERGY Group continues its investment program with the ultimate goal of 2GW of total installed capacity (relatively recently new investments of Euro 550 million in Greece were announced) without any delays in the implementation of the investment program, due to COVID-19. In this context, the Ministry of Environment and Energy has stated that it will take all the necessary measures to ensure adequate funding of the special RES account.
- The Management states that any delay in the collection of the Group's revenue from DAPEE does not appear today to exceed the production value of six months, as has happened in the past. Within 2020, a six-month delay in payment will create, at least temporarily, a cash issue of around Euro 120 million. TERNA ENERGY Group's cash flows allow the Management to address any potential cash problem with relative ease without interrupting the pace of implementation of the Group's investment plan. Should the delay exceed 6-8 months of production, the Management will reschedule its investment plan, business and cash flow planning to meet increased cash needs and minimize adverse effects. The controlled slowdown and/or, where appropriate, cancellation of planned investments will prove unavoidable if the delay in recovery goes beyond reasonable limits and market operating practices. But even in such a case, the Group, due to its size, capability, experience, and determined strategy, is ready to strive to maintain its leading position in the RES market and to maintain its competitive edge.
- Moreover, the Management considers that the credit risk, in relation to the energy sector requirements, is limited. The credit risk, in the context of the effects of COVID-19 is limited to the possibility that clients will not meet the agreed repayment terms. As of the accompanying financial statements approval date, the Group has not identified significant discrepancies regarding the course of the collectibles to the extent that it might be regarded as an indication of significant delays in RES segment collectibles.

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Furthermore, given the volatility dominating the global markets, demand from investors for RES projects, despite recent reductions in oil prices, has significantly increased (as was the case during 2009 financial crisis), as investors are looking for low-risk investments and fixed repeatable cash flows. This increased demand is expected to lead to even greater growth in the RES segment.

Constructions Operating Segment

Constructions Operating Segment mainly includes the operations of TERNA S.A. Group. As far as the operations of the Constructions Segment are concerned, the public policy measures that have been taken and / or will be taken by the Greek government in order to limit the spread of COVID-19 disease are not expected to significantly disrupt the operations of this segment.

The Management has examined the specific conditions that could have a significant impact on the business operations of the Constructions segment and the risks to which it is exposed. Based on the current events and circumstances regarding the spread of COVID-19 pandemic, such conditions are analyzed as follows:

- Delays in the projects implementation schedule: All construction projects in progress in Greece and abroad continue normally, always taking into account the instructions and protection measures announced by local countries and governments. It is to be noted that construction works that have been suspended (i.e. Ptolemaida V following the decision of the General Secretariat for Civil Protection due to increased COVID-19 cases in the region of western Macedonia as well as two projects undertaken by the Group in Cyprus due to similar decisions of the Cypriot government) have been restarted. Regarding potentially minor delays that may occur in the construction projects due to COVID-19 pandemic, the Group is not exposed to the risk of non-compliance with the contractual schedules, since the relevant deadlines are extended accordingly. In addition, it is worth noting that construction contracts also include the relevant terms regarding delays arising from the events that could not be foreseen (force majeure events), providing an additional contractual level of security regarding the progress of projects and their performance/ compensation.
- Difficulties pertaining to adequacy of the supplies that are critical to construction projects: the particular needs have been timely identified and the appropriate arrangements have been made with key suppliers collaborating with the Group, with whom long-term trade relations have been established. No such delays are expected. Regarding construction projects at a particularly advanced stage of construction, it does not seem that such a need will arise, as the volumes of the remaining supplies are of such a size that no issue is expected to arise. Regarding the construction projects that are at the early stages of implementations, such issues have also been reviewed for the existence of alternative distribution networks, in the unlikely remote case the existing suppliers cannot meet the requirements of the Group's supplies (no such possibility).
- Delays in project assignments: Notwithstanding extraordinary critical circumstances arising due to the global public health crisis, the Greek state has not yet announced suspension of any project assignments procedures, as an initiative for practical support to the Greek economy. However, according to Article 60/Legislative Act (PNP) 20.03.2020, as long as immediate risk of COVID-19 spread is still effective, confirmed by a decision of the Minister of Healthcare, and for a period not exceeding six (6) months from the entry into force of the Legislative Act, following a decision of the competent Minister, as the case may be, a series of measures can be taken, such as (a) postponing public tenders, (b) extending the date for submitting applications or offers in cases where a notice has been published, (c) granting an extension for any kind of contractual term, for a period of time to be determined by the relevant decision.

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- In the context of COVID-19 pandemic, credit risk is limited to the probability that customers will not meet the agreed-upon repayment terms. Significant delays in project payment schedules, based on current data, are not estimated to exist. The Management estimate's are based on the following factors: (a) firstly, that the Greek State owns most of the construction projects undertaken by the Group, and, in most cases, has constantly uninterrupted flow of resources (e.g. European resources or resources secured by concession companies which have assigned construction projects to Terna S.A.) and (b) secondly, that support packages for the economy of European countries are already expected to be delivered by the European Central Bank (ECB) in order to mitigate the economic effects of COVID-19.

As universally known, construction works constitute one of the cornerstones for the recovery of the economy - and TERNA S.A. is in an advantageous position due to (a) its dominant position in the construction industry in combination with the experienced and proven effective management team, (b) its strong financial position, which facilitates it to support timely completion of all projects that it has and/or will undertake, (c) the significant tendency regarding decreases in the prices of raw materials/commodities (such as diesel, asphalt, steel, etc.) and (d) the support of the Group by the Greek banking system and by insurance companies, facilitating significant level of available limits set for the issuance of letters of guarantee.

Given the need to boost the economic recovery as a result of COVID-19 crisis, the Minister of Infrastructure and Transport has stated that the start of major projects is an immediate priority for the Greek Government. In particular, the Minister commented that the Greek Government intends to alter the institutional framework for tender procedures, so as to speed up licensing to include in strategic investments the major infrastructure projects, exceeding 13 billion Euro.

Concessions Operating Segment

Concessions operating segment mainly includes motorways concessions companies (NEA ODOS CONCESSION S.A. and CENTRAL GREECE MOTORWAY CONCESSION S.A.) and Kasteli airport concession (INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.).

The Management has examined the specific conditions that could have a significant impact on the business operations of the motorways companies and the risks to which they are exposed. Based on the current events and circumstances regarding the spread of COVID-19 pandemic, such conditions are analyzed as follows:

- Disruptions and restrictions on traffic and movement of vehicles as a result of the measures, imposed by the state: Any assessment of the impact on motorway traffic depends on: (a) the spread of the virus in the country and (b) the time of restrictions and specific prevention measures that the state has taken or will take – which, currently, cannot be assessed. In any case, it is to be noted that given the insufficient number of high quality side roads, domestic motorways are more competitive compared to those located in other countries. In particular, and according to the latest traffic data, the motorway companies prove to be more resilient than other country's motorways, since the key Greek motorways between Athens and Thessaloniki seems to be recording the smallest decrease. The impact on revenues is significantly lower due to the increased use of heavy vehicles (trucks, cargos, etc.) which have been less affected by the restrictive measures taken in order to prevent the spread of COVID-19 as well as due to the lower dependence of these highways on tourists' vehicles. Moreover, Concession Agreements include Contractual Provisions that protect the Companies from events and situations such as COVID-19 pandemic and its impact mitigation measures, providing an additional contractual level of security regarding the performance of companies. The companies are in the process of evaluating the effects and communicating with the Greek State, in the context of the relevant provisions of the Concession Agreements.

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Furthermore, according to the financial models approved by the creditors of NEA ODOS and CENTRAL GREECE MOTORWAY, distributions to GEK TERNA are protected by a significant size of available cash flows prior to any reduction in their total volume during the total concession period. It is to be noted that as from 04.05.2020, the government decided to partially lift the restrictive measures. In addition, according to the provisions of the Concession Agreements, any amount that may not be distributed due to the above disturbance (and up to the contractual maximum amount of distributions) may be distributed in the next few periods, ie as soon as the regularity of motorways traffic returns.

- Delays in the current assignments of all kinds of projects (construction, maintenance, software application development, etc.). The motorway companies have reviewed the submitted offers and assignments and determined individual approaches to every one of them. Moreover, the companies closely monitor the schedules and the developments of their suppliers and have designed a plan for alternative use of resources and other offers in case of potential inactivity of the suppliers. In particular, with regard to the under-construction southern section of E65 motorway, works are in progress, in compliance with the state directives and protection measures imposed to prevent the spread of COVID-19. In addition, since the project belongs to the Greek State, funding is provided through European resources. Adequacy of critical supplies for the operation and maintenance of highways was timely addressed through finding alternative sources, in close cooperation with the competent department of the GEK TERNA Group, but mainly through the assistance of existing suppliers, with whom long-term commercial relations are effective.
- The Group is in the process of evaluating cash flows of motorway companies, arising from tolls, using revised estimates and assesses, where possible, the measures, in particular with regard to revising, in terms of implementation time, certain investments and adjusting maintenance expenses to the current traffic volumes.

Regarding Kasteli airport concession in Crete, after the concession commencement date in February 2020, the study-construction period of the airport (of a five-year duration) has begun and is in progress according to the terms of the concession agreement. In addition, since during the first part of the construction period, the project is at the stage of completing the technical studies for a period of at least six (6) additional months, no impact is expected.

It should be also noted that that Kasteli concession agreement has been specifically structured to facilitate protecting the concessionaire from the events that could not be foreseen (force majeure events), - such as COVID-19 - providing an additional contractual level of security in terms of the project's progress and performance.

Summary

The economic impact of the current crisis on the global economy and overall business activities cannot be currently assessed with reasonable certainty, given the rate of COVID-19 spread, on one hand, and the high level of uncertainty arising from the inability to reliably foresee the result, on the other hand.

As far as the financial position of the Group is concerned, as at the reporting date of the Annual Separate and Consolidated Financial Statements for the period ended 31.12.2019, as well as currently, the Group maintains sufficient capital adequacy and liquidity and continues to fully comply with its obligations to suppliers, the Greek State, insurance companies, creditors, etc. Moreover, the Group goes on implementing its investment plan and creates conditions for further development of its operations in domestic and foreign markets.

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In conclusion, all the above factors were reviewed in order to assess the effects of COVID-19 on the Group's operations within 2020, regarding which inherent uncertainty is effective, given the current events and circumstances as at the accompanying financial statements approval date. The Management estimates that there is no uncertainty regarding the Company's and its subsidiaries' ability to continue as a going concern, which is the key prerequisites for the preparation of the financial statements.

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53. APPROVAL OF FINANCIAL STATEMENTS

The separate and consolidated Financial Statements for the year ended as at 31.12.2019 were approved by the Board of Directors of GEK TERNA S.A. on 01.06.2020.

CHAIRMAN of BoD
&
CHIEF EXECUTIVE OFFICER

VICE CHAIRMAN of BoD

GEORGIOS PERISTERIS

CONSTANTINOS VAVALETOS

CHIEF FINANCIAL OFFICER

CHIEF ACCOUNTANT

CHRISTOS ZARIBAS

NIKOLAOS VALMAS

V. REPORT ON USE OF FUNDS RAISED**GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS
General Commercial Registry No. 153001000 (former S.A. Reg. No. 6044/06/B/86/142)****Report on funds raised from Issuance of Common Bond Loan Program
for the period from 04.04.2018 to 31.12.2019**

At the meeting of the Capital Markets Commission as of 21.03.2018, the Prospectus of 21 March 2018 of GEK TERNA HOLDINGS REAL ESTATE CONSTRUCTION SA (hereinafter referred to as "Company") for the public offer with cash payment and the approval of admission for trading by Athens Exchange up to 120,000 dematerialized, common, bearer bond of a total amount Euro 120,000,000 was approved. Following the completion of the option exercise period, the aforementioned issuance of the common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at Euro 1,000 each, i.e. 100% of its nominal value. The characteristics of this loan are the following: (a) The bond yield is 3.95% and is fixed over the term of the loan, (b) Interest is calculated on six-month basis, (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. Upon the completion of the Public Offer on March 29, 2018, and according to the aggregated allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 120,000 dematerialized, common, bearer bonds of the Company were issued with nominal value Euro 1,000 each and raised funds of Euro 120,000,000.

The allocation of issued bonds is as follows: 78,000 Bonds (65%) of all issued Bonds were allocated to Private Investors and 42,000 Bonds (35%) of all issued Bonds were allocated to Special Investors.

On 16.03.2018, the Company's Board of Directors conducted the certification of payment of the capital raised. Following, one hundred twenty thousand (120 k) dematerialized, common, bearer bonds issued were listed for trading on the Fixed Income Securities of the Organized Market of the Athens Exchange with the approval of the Athens Exchange Board of Directors as of 22.03.2018.

In view of the above, it is hereby disclosed that an amount of **Euro 117,097.4 k**, i.e. an amount of Euro 120,000 k in cash raised from the CBL coverage preference and subscription rights holders, less the amount of Euro 2,902.6 k related to issuance expenses, as also incorporated without deviation into the section 4.1.3 "CBL Issuance Expenses" of the Company's Prospectus of 21 March 2018, available as till 31.12.2019 as follows:

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Table of allocation of the Capital Proceeds from the issuance of the Common Bond Loan of € € 120.000.000 (amounts in thousand Euro)						
Allocation of the Capital Proceeds based on the objective of the Prospectus (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	Allocation of the Capital Proceeds based on the objective of the Prospectus	Capital proceeds for the period from 04.04.2018 to 31.12.2018	Capital proceeds for the period from 01.01.2019 to 31.12.2019	Total capital proceeds till 31.12.2019	Non allocated balance as at 31.12.2019	Note
(a) Amount of €64.642.734 will be allocated within 2 months of the CBL receipt as follows: Direct allocation for the partial repayment of a bank bond loan of €193.947.597 as of 01.12.2017.	64.643	64.643	-	64.643	-	(1)
Total (a)	64.643	64.643	-	64.643	-	
(b) Amount of €52.454.666 will be used within three years (2018-2020) as follows:						
(i) half by the Issuer, or through intragroup borrowing or through subsidiaries' Share Capital Increase to finance new or existing investments	26.227	967	10.665	11.632	14.595	(2)
- Up to 70% for direct or indirect (through share capital increase and/or borrowing, which upon termination will be changed to share capital increase) participation in projects via PPP contracts or concession contracts	up 18.359	345	4.850	5.195	13.164	2(i) & 2(ii)
- Up to 20% for participation in TERNA LEFKOLITHI SA share capital increase	up 5.245	-	5.245	5.245	-	2(iii)
- The remainder to finance (through share capital increase and/or borrowing, which upon termination will be changed to share capital increase) investments in other segments of the companies activities and legal entities in which the Issuer participates	Remaining 2.623	622	570	1.192	1.431	2(iv)
(ii) the other half to finance the Company's working capital needs, including the bank borrowing decrease	26.227	26.227	-			(3)
Total (b) [(i)+(ii)]	52.454	27.194	10.665	11.632	14.595	
Total investments [(a)+(b)]	117.097	91.837	10.665	102.502	14.595	(4)
CBL issuance expenses	2.903					
Total capital proceeds	120.000					

Notes:

- 1) On 01.12.2017, the Company signed a Euro 193.95 million Collateral Common Bond Loan Program with Greek Credit Institutions to refinance existing bank borrowing contractually matured in 2018, which relates to borrowing of : (a) Euro 101 million of parent, (b) Euro 81.7 million of TERNA SA subsidiary and (c) Euro 11.2 million of other Group's subsidiaries. On 30.01.2018 the coverage at total, of the aforementioned as of 01.12.2017 signed Collateral Common Bond Loan amounting to Euro 193,95 million (two A & B Bond series), from Greek Credit Institutions implemented as well as the objective to refinance the existing borrowings of the parent and Group companies. On 10.04.2018, the aforementioned Bond Loan was partially repaid by an amount of Euro 64.6 million from the issue of the new Common Bond Loan of the Company amounting to Euro 120 million, according to section 4.1.2. "Reasons for Issuing the CBL and Use of Capital" of the Company's Prospectus as of 21 March 2018.
- 2) Until 31.12.2019, the amount of Euro 11,632 was allocated from the amount of Euro 26.227 which will be used within three years (2018-2020) by the Issuer, or through intra-group borrowing or from its subsidiaries share capital increase to finance new or existing investments. The analysis of the aforementioned amount is as follows:
 - i. In the period from 04.04.2018 to 31.12.2018, the Company has allocated to PARKING PLATANOS SQUARE SA (100% its subsidiary) the amount of 695 related to the participation of the Company in the subsidiary share capital increase according to the General Meeting dated 25.06.2018 and 25.06.2019 respectively. On 21.05.2018, 21.11.2018, and 21.10.2019, the Company paid the amounts of 100, 245, and 300 respectively in the framework of subsidiary's share capital increase.
 - ii. In the period from 01.01.2019 to 31.12.2019, the Company has allocated to its 100% subsidiary TERNA A.E. (issuer) the amount of 4,500 so that Company could participate in the issuance of a bond loan of the subsidiary. On 15.02.2019, the cash transaction amounting to 4,500 was made by the Company to the issuer. The amount of disposal is aimed at ensuring TERNA's participation according to its percentage in the capital of the concession company "INTERNATIONAL AIRPORT HERAKLION CRETE SA". TERNA paid the amount of its participation on 08.02.2019.
 - iii. In the period from 01.01.2019 to 31.12.2019 the Company has allocated to the company TERNA LEFKOLITHI S.A. (51.02% its subsidiary) the amount of 5,245 that concerns the participation of the Company in the share capital increase of the subsidiary company based on the decision of the Extraordinary General Meeting as of 09.12.2019. On 19.12.2019, the Company paid the amount of 5,245 in the context of the share capital increase of the subsidiary.
 - iv. In the period from 04.04.2018 to 31.12.2019, the Company has allocated to IOANNINON ENTERTAINMENT DEVELOPMENT S.A. subsidiary totaling 1,192, which is analyzed below:
 - On 24.10.2018, IOANNINON ENTERTAINMENT DEVELOPMENT S.A. (issuer) issued a bond loan of 550 in which the Company participated with the amount of 540 corresponding to equal amount of bonds. On 06.11.2018 a cash transaction of 540 was performed by the Company to the issuer. The amount of 540 is a temporary allocation which is finalized following the conversion of the loan into the company's capital within the period of three years from the issuance of the CBL.

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- On 30.03.2018, the Extraordinary General Meeting of IOANNINON ENTERTAINMENT DEVELOPMENT S.A. subsidiary decided on its share capital increase by 300 (171,428 new shares), in which the Company participated, fully covering the amount of the share capital increase. On 24.08.2018, the Company paid the amount of 82, which corresponds to 47 k new shares.
 - On 24.06.2019, the General Meeting of the subsidiary IOANNINON ENTERTAINMENT - ANAPTYXIAKI - TECHNIKI SA decided on its share capital increase by 570 (1,425,000 new shares), in which the Company participated fully covering the amount of increase. On 27.09.2019 and 21.10.2019, the Company paid the amount of 418 and 152 respectively, which corresponds to 1,425 k new shares.
- 3) From the amount of 26,227 that will be used within three years (2018-2020) by the Issuer to cover the needs of the Company in working capital, including the reduction of bank borrowing, the total amount, i.e. 26,227 has been allocated until 31.12.2019, which was used to cover other needs and for the Company's working capital.
- 4) CBL unallocated funds amounting to 14,595 are included in the item "Cash and cash equivalents" of the separate Statement of Financial Position of 31.12.2019 and are deposited to the Company's bank accounts.

1st June 2020

CHAIRMAN of BoD

VICE CHAIRMAN of BoD

&

CHIEF EXECUTIVE OFFICER

GEORGIOS PERISTERIS

CONSTANTINOS VAVALETSKOS

CHIEF FINANCIAL OFFICER

CHIEF ACCOUNTANT

CHRISTOS ZARIBAS

NIKOLAOS VALMAS

Report on the Findings from the Conduct of Agreed-upon Procedures on the "Report on Allocation of the Capital Proceeds"

To the Board of Directors of **"GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS"**

Pursuant to the order we received from the Board of Directors of "GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS" (hereinafter referred to as the "Company"), we conducted the following agreed-upon procedures within the regulatory framework of the provisions of Athens Stock Exchange and the relevant legislative framework of Hellenic Capital Market Commission regarding the Report on Allocation of the Capital Proceeds (hereinafter referred to as "the Report") of the Company regarding the issue of a Common Bond Loan. The Company's Management is responsible for preparation of the aforementioned Report in accordance with the effective regulations of Athens Stock Exchange and Hellenic Capital Market Commission and the Prospectus as of March 21st 2018. We undertook this assignment in compliance with the International Standard on Related Services (ISRS) 4400, "Engagements to Perform Agreed-upon Procedures Regarding Financial Information" Our responsibility is to conduct the below agreed-upon procedures and disclose our findings to you.

Procedures

The procedures we conducted can be summarized as follows:

1. We compared the consistency of the content of the Table of Allocation of the Capital Proceeds of the Report with the data reported in the Prospectus issued by the Company on March 21, 2018. In particular, we compared the consistency of the data recorded in the columns "Allocation of the Capital Proceeds based on the objective of the Prospectus" and "Allocation of the Capital Proceeds based on the objective of the Prospectus" recorded in the Table of Allocation of the Capital Proceeds of the Report with the data recorded in the Prospectus as of March 21st, 2018.
2. We compared the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report with the corresponding amount recognized in the key accounting records of the company until December 31st, 2019.
3. We compared the consistency of the capital proceeds arising from the Common Bond Loan until December 31st, 2019, inclusively with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of March 21st 2018, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Findings

Under performing the above procedures, our findings are:

- i. Regarding the procedure (1) mentioned above, we have ascertained that the content of the Table of allocation of the Capital Proceeds of the Report is consistent with the data reported in the Prospectus issued by the Company on March 21st, 2018. In particular, we have ascertained that the data recorded in the columns "Allocation of the Capital Proceeds based on the objective of the Prospectus" and "Allocation of the Capital Proceeds based on the objective of the Prospectus" recorded in the Table of Allocation of the Capital Proceeds of the Report are consistent with the data recorded in the Prospectus as of March 21st, 2018.
- ii. Regarding the procedure (2) mentioned above, we have ascertained that the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report arise from the key accounting records of the company until December 31st, 2019.

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- iii. Regarding the procedure (3) mentioned above, we have ascertained that the capital proceeds arising from the Common Bond Loan until June 30th, 2019, inclusively are consistent with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of March 21st 2018, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Given that the performed procedure do not constitute an audit or a review in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance beyond what is mentioned above. If we had conducted additional procedures, or if we had conducted an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention, which we would have disclosed to you.

Restrictions on the Use of the Report

The current report is addressed exclusively to the Company's Board of Directors, in compliance with its obligations under the effective Regulatory Framework of Athens Stock Exchange. Therefore, this report shall not be used for any other purpose, as it is limited to the items listed above and does not extend to the interim separate and consolidated financial statements prepared by the Company for the period ended on December 31st 2019, for which we have issued a separate Review Report dated on 01 June 2020.

Athens, 1st June 2020

The Certified Auditor Accountant

Dimitra Pagoni

SOEL Reg. No 30821



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