

HELLENIC CORPORATION OF ASSETS AND PARTICIPATIONS

SECOND QUARTERLY REPORT FOR 2019 (01.04.2019 - 30.06.2019) ON ACTIONS AND COMPANY FINANCIAL STATEMENTS

Contents

| | |
|---|-----------|
| A. Hellenic Corporation of Assets and Participations S.A. | 4 |
| A.1. HCAP Purpose, Framework and Structure | 4 |
| A.2. Main Corporate Bodies of the Corporation | 7 |
| A.3. Organization structure | 9 |
| A.4. Internal Audit and Compliance | 10 |
| A.5. External Auditor | 11 |
| A.6. Cash and cash equivalents – Single Treasury Account | 11 |
| A.7. Rules of Procedure and BoD reporting | 11 |
| A.8. Activities of the 01.04.2019 - 30.06.2019 period | 13 |
| B. Financial Information | 36 |
| B.1 Basis of the quarterly financial report | 37 |
| B.1.1 Statement of total comprehensive income for the period 01.04.2019 - 30.06.2019 and Six-month period 01.01.2019-30.06.2019 | 40 |
| B.1.2 Statement of Financial Position as at 30.06.2019 | 42 |
| B.1.3 Statement of Changes in Equity for the 01.01.2019 - 30.06.2019 | 43 |
| B.1.4 Cash flow statement for the period 01.04.2019 - 30.06.2019 and Six month period 01.01.2019-30.06.2019 | 44 |

A. Hellenic Corporation of Assets and Participations

A. Hellenic Corporation of Assets and Participations S.A.

A.1. HCAP Purpose, Framework and Structure

The Hellenic Corporation of Assets and Participations S.A. (“HCAP” or the “Corporation”) is a holding company governed by the provisions of L. 4389/2016 as amended and in force (hereunder the “Law” or the “founding law”).

The Hellenic Corporation of Assets and Participations operates in the public interest, in accordance with the rules of the private economy. It is set up to serve a specific public purpose. For the fulfilment of its purpose the Corporation acts in an independent and professional manner, with long term perspective in relation to the achievement of its outcome, in accordance with the institutional framework that its founding law provides, the current legal framework and its Rules of Procedure as well as with guarantees for full transparency.

The Hellenic Corporation of Assets and Participations promotes reforms for the State-Owned Enterprises (SOEs) through restructuring, promoting responsible management and good corporate governance, as well as corporate social responsibility, innovation and best corporate practices. The Corporation may also set up additional subsidiaries to achieve its purpose.

The portfolio of the Hellenic Corporation of Assets and Participations currently includes three companies as Direct Subsidiaries and more specifically the Hellenic Financial Stability Fund “HFSF”, the Hellenic Republic Asset Development Fund “HRADF” and the Public Properties Company “ETAD”, while the participations of the Greek State in SOEs which have been transferred to HCAP, are referred as “Other Subsidiaries”.

The Other Subsidiaries of HCAP portfolio are active in sectors of the Greek economy, such as energy, water and sewerage, infrastructure, transport, services, markets, etc., sectors that impact critical sizes of the Greek economy, such as growth, employment, competitiveness and extroversion.

Structure of the Hellenic Corporation of Assets and Participations

Important Notes

* HRADF holds 30% of the share capital of Athens International Airport S.A., 17% of the share capital of Public Power Corporation S.A., 24.02% of the share capital of Thessaloniki Water Supply and Sewerage Company S.A. and 11.33 % of the share capital of Athens Water Supply and Sewerage Company S.A..

** Regarding the transfer of the shares of the water and sewerage companies, Athens Water Supply and Sewerage Company S.A. and Thessaloniki Water Supply and Sewerage Company S.A., four petitions for annulment by the Council of State with the number 692/2018, 822/2018, 693/2018 and 823/2018 have been submitted. The hearing of the above petitions was held on 27.11.2018 before the Council of State.

Other participations and rights

- Pursuant to article 198 of Law 4389/2016, the concession contracts of the other subsidiaries shall be automatically (ipso jure) transferred to the Corporation. The possibility of concluding or renewing concession contracts relating to public undertakings whose shares are transferred to the Corporation may be transferred to the Corporation by decision of the Minister of Finance. The Greek State, by virtue of act of the Ministerial Council, following a justified recommendation of the Corporation, may decide the co-signature on behalf of the Greek State as a third contracting party, of concession contracts of property rights, intangible rights, rights of operation, maintenance and exploitation of infrastructure, only in relation to the rights and obligations undertaken by the Greek State. By virtue of the aforementioned act, the competent bodies for the countersigning of the abovementioned contracts regarding the particular terms, after the completion of the pre-contractual audit by the Court of Auditors described in article 201 of Law 4389/2016, shall be appointed and authorized.

23 Regional Airports

| | |
|-------------------|----------------|
| ✈ Alexandroupolis | ✈ Ioannina |
| ✈ Araxos | ✈ Kalamata |
| ✈ Astypalea | ✈ Kalymnos |
| ✈ Ikaria | ✈ Karpathos |
| ✈ Kassos | ✈ Kastoria |
| ✈ Kastelorizo | ✈ Kozani |
| ✈ Kithira | ✈ Lemnos |
| ✈ Leros | ✈ Milos |
| ✈ Paros | ✈ Nea Achialos |
| ✈ Siteia | ✈ Naxos |
| ✈ Skyros | ✈ Chios |
| ✈ Syros | |

- Pursuant to the provisions of article 198 par. 2 of Law 4389/2016, as amended and in force, were automatically transferred by HRADF to the Corporation, and without consideration in return any property rights, management and exploitation rights, established financial interests, intangible rights and rights of operation, maintenance and exploitation of infrastructures, which had been transferred previously to HRADF, by virtue of the Decision num. 195/2011 of the Interministerial Committee for Restructuring and Privatizations (B' 2501), regarding the right to grant to third parties, by virtue of concession agreements, the rights of administration, management, operation, upgrade, enlargement, maintenance and exploitation of all the state-owned airports, of which the organisation, operation and management has been assigned to the Civil Aviation Authority (CAA), including any rights of administration, management and exploitation over movable assets and real estate properties, that are connected to their operation, as well as of any spaces of commercial or any other use located within or close to the premises of the abovementioned state-owned airports and under the conditions to be defined in the relevant concession agreement, with the exception of the state-owned regional airports of Crete, mainland Greece and airports of Ionian and Aegean Sea, which have already been granted by virtue of concession agreements ratified by articles 215 and 216 of Law 4389/2016.
- Pursuant to article 350 of Law 4512/2018, the Greek State has assigned to HCAP the right to receive the dividend corresponding to the State's shareholding in the share capital of Hellenic Telecommunications Organization S.A. ("OTE") which is currently 1% of the share capital.

A.2. Main Corporate Bodies of the Corporation

The supreme body of the Corporation is the **General Assembly** of the sole shareholder, which is the Greek State, as legally represented by the Minister of Finance. The General Assembly of the sole shareholder shall be the only body responsible for deciding on matters which, in accordance with the applicable legislation, fall within the exclusive competence of the General Assembly of the shareholder, with the exception of the election and revocation of the appointment of members of the Board of Directors of the Corporation, the rules regarding the remuneration of the members of the Board of Directors and the amendment of its Articles of Association.

The **Supervisory Board** is responsible for supervising the Board of Directors of the Corporation in order to ensure that it is operating in accordance with the provisions of the institutional framework that concerns its operation to the interest of the Corporation and to the serving of public interest. It consists of five (5) members with a five-year term of office, which are appointed by the General Assembly of the sole shareholder, in accordance with the following:

- Three (3) members selected by the sole shareholder, with the agreement of the European Commission and the European Stability Mechanism which act jointly;
- Two (2) members, one of which is the Chairman of the Supervisory Board, selected by the European Commission and the European Stability Mechanism, acting jointly, with the agreement of the Minister of Finance.

The first Supervisory Board of HCAP consists of the following members with a five-year term of office:

- Jacques, Henri, Pierre, Catherine Le Pape – Chairman of the Supervisory Board
- David Vegara Figueras
- Stamboulis George
- Tavlas George-Spyros
- Charitou Olga¹

The **Board of Directors** is responsible for the management of the Corporation and the achievement of the objects laid down in its Articles of Association. The Board of Directors shall decide on all issues relating to the management of the Corporation, apart from those issues which fall within the competence of the Supervisory Board or the General Assembly.

The Board of Directors of HCAP may consist from five (5) to nine (9) members, which are elected by the Supervisory Board in accordance with the provisions of its founding law. Also, a representative who is appointed jointly by the European Commission and the European Stability Mechanism is present at the meetings of the Board of Directors of the Corporation as an observer without voting right.

The Board of Directors of HCAP today consists of the following members:

¹ Without receiving any remuneration from 01.05.2019

| Name | Capacity |
|-------------------------|--|
| Diamantopoulos George | Chairman of the Board of Directors, Non-executive Member |
| Ekaterinari Ourania | CEO, Executive Member |
| Giourelis Stefanos | Executive Director, Executive Member |
| Athanassiou Hiro | Non-executive Member |
| Gregoriadi Alice | Non-executive Member |
| Kouvarakis Themistoklis | Non-executive Member |
| Lorentziadis Spyros | Non-executive Member |
| Niforos Marina | Non-executive Member |

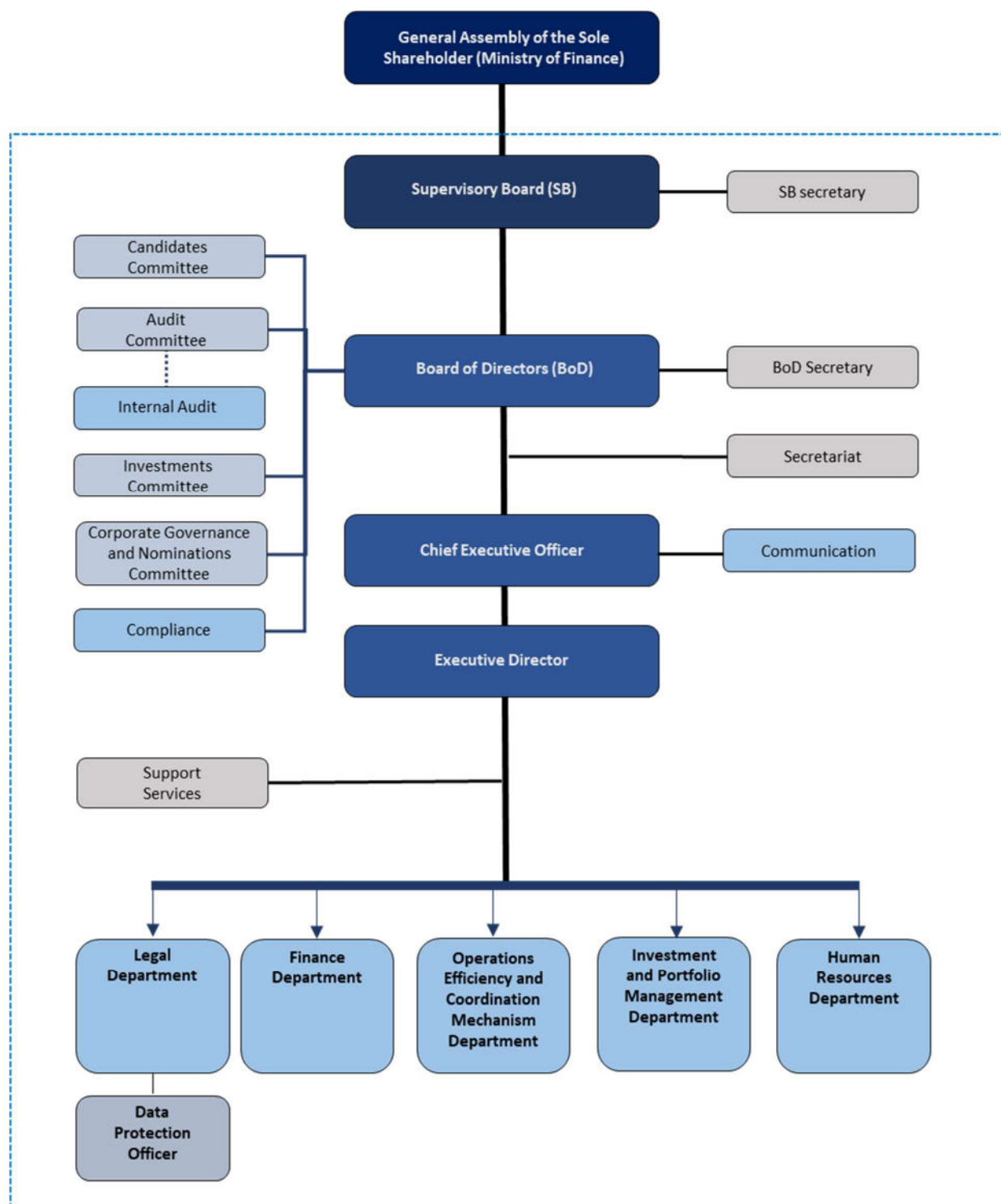
For the support of the Board of Directors operations, three Committees were firstly established, namely the:

- Audit Committee
- Investment Committee and
- Corporate Governance

Furthermore, pursuant to the provisions of the law (article 197 par. 4 of Law 4389/2016, as amended by Law 4512/2018 in combination with article 19 par. 1 of Law 4618/2019), the Board of Directors of the Corporation established the Candidates Committee, consisting of executive and non-executive members of the Board of Directors of HCAP.

A.3. Organization structure

The organization chart of HCAP is as follows:



* The Compliance Officer supports and directly advises the Supervisory Board of the Corporation on issues of compliance that are relevant to it

A.4. Internal Audit and Compliance

The **Internal Audit Division (IAD)** supports HCAP's governing bodies in the performance of their duties and the achievement of the objectives set, by ensuring the proper application of procedures and operations by the Corporation's organizational units, as well as through auditing the application of effective internal controls and procedures, risk management, information systems and corporate governance. The IAD operates based on the "Performance Auditing Framework", which is part of HCAP's Internal Regulation. The IAD is independent and reports to HCAP's Board of Directors, through the Audit Committee, by which it is supervised.

The IAD confirms the application of governing bodies' directives and guidelines through planned and unplanned ad hoc audits of procedures, financial data and information systems and submits relevant reports to HCAP's Management and Board of Directors. IAD staff are ensured complete freedom and unrestricted access to files, services, accounts and records, physical assets and staff of the Corporation.

The IAD prepares an annual plan of internal audit activities, based on a risk assessment, which is approved by the Audit Committee and the Board of Directors. During the second quarter of 2019, the IAD carried out the actions set out in the 2019 Audit Plan, which was approved on 13.12.2018. A relevant activity report was submitted and presented to the Audit Committee on 18.06.2019. Part of these actions involved meetings with Internal Auditors of HCAP's subsidiaries, in order to determine ways to support them in adopting good / best practices regarding internal audit, this always being subject to the provisions of the applicable legal and regulatory framework.

The **Compliance** function is responsible for the design, implementation, supervision and management of HCAP's regulatory compliance system. The aim is to develop a compliance culture and to establish the highest standards of integrity, meritocracy and good governance in every aspect of HCAP (and its subsidiaries) operation, in line with international best practices. In this regard,

HCAP has already adopted a number of compliance policies and procedures, with the aim that these will also be adopted by the HCAP's subsidiaries.

In particular, the following compliance policies and procedures have been introduced:

- Code of Conduct
- Compliance System Framework
- Gifts and Hospitality Policy
- Anti-bribery and corruption Policy
- Guidance and Undertaking on the Protection of Confidential and Market Sensitive Information

The introduction and implementation of compliance policies and procedures is also part of HCAP subsidiaries' KPIs. In addition, most subsidiaries there have already appointed compliance officers in order to better manage and implement the relevant compliance rules and procedures.

HCAP's Compliance function has also developed mechanisms/procedures to enhance the prevention and management of conflict of interest issues. In particular, a screening process is in place for all HCAP's subsidiaries BoD members that are assessed and/or appointed by HCAP to ensure that their personal interests or relationships do not constitute a potential of conflict of interest. In this regard, a specific guidance on conflict of interest for BoD members has been issued.

In addition, HCAP's Compliance function in 2019 has designed a compliance training program and delivers tailored workshops and seminars to HCAP and its subsidiaries (using state of the art training tools) to promote compliance and raise awareness on relevant compliance issues.

The Compliance function is also working on the design and development of a compliance e-learning program for HCAP that will also be gradually be rolled out to all to all subsidiaries.

At the same time, HCAP also supports actions that aim to highlight the importance of regulatory compliance for Greek companies. Specifically,

HCAP is represented on the Board of ESED, as well as on the 15-member Council of Experts of ESED, and also participates in the Business Integrity Forum of Transparency International - Greece, which promotes corporate responsibility, transparency and accountability

A.5. External Auditor

According to the Decision of the General Assembly of the sole shareholder, dated 10.09.2018, Grant Thornton was elected as external auditor for the statutory audit of the Corporation's financial statements and consolidated financial statements for the period 01.01.2018-31.12.2018.

A.6. Cash and cash equivalents – Single Treasury Account

HCAP's cash is held in a cash management account at the Bank of Greece through which they are

managed. HCAP's cash as of 30.06.2019 amounts to the amount of € 17,116,917.

A.7. Rules of Procedure and BoD reporting

The General Assembly of the sole shareholder adopts the Internal Rules of Procedure ("Rules of Procedure") which regulate the operation of the Corporation and its direct subsidiaries, apart from the HFSF, and is based on best international practices and OECD guidelines.

The Rules of Procedure of the Corporation may be amended by decision of the General Assembly of the sole shareholder, on a proposal of the Board of Directors, which shall be approved by the Supervisory Board.

The Rules of Procedure, as it has been formed until now with decisions of the General Assembly, include the following chapters:

- | | |
|--|---|
| <ul style="list-style-type: none"> (a) Procurement Regulation (b) The Framework for the preparation of the Strategic Plan of HCAP (c) Performance Auditing Framework (d) Conflict of Interest Policy and Confidentiality Obligations (e) Internal Rules of the Supervisory Board (f) Remuneration & Compensation Policy for the BoD of HCAP, which incorporated the addendum of the subchapter "Remuneration Policy for the members of the BoD of the Direct Subsidiaries (apart from the HFSF)" | <ul style="list-style-type: none"> (g) Coordination Mechanism (h) Corporate Governance Code (i) Performance monitoring and Reporting Framework (j) Travel & expenses policy (k) Financial Reporting Standards and Framework for Financial Reporting (l) Board Evaluation and Removal Criteria concerning the board of directors of HCAP (m) Dividend policy |
|--|---|

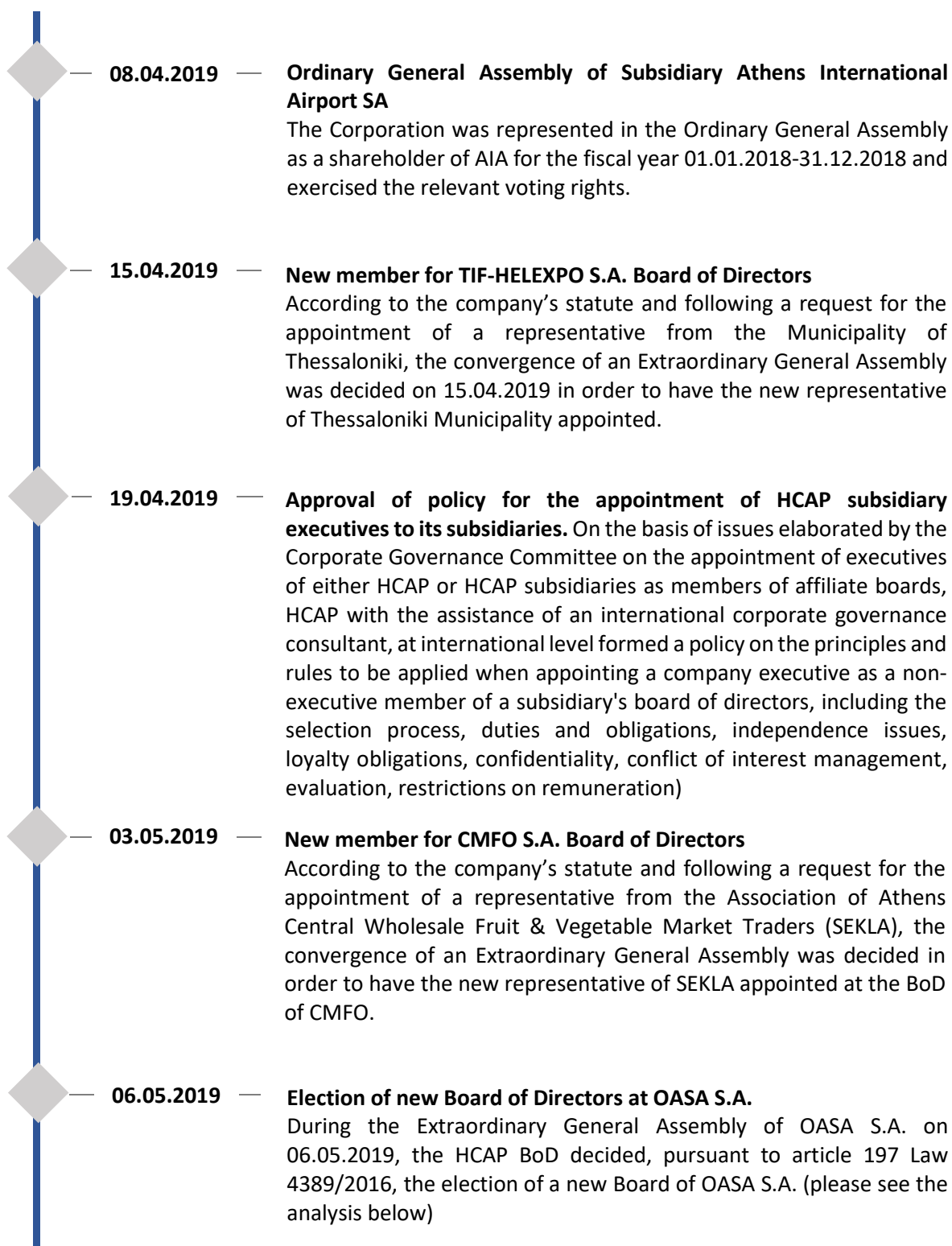
It must also be noted that the Corporate Governance Code is based on the Greek Corporate Governance Code for Listed Companies, which has mainly been written based on the Corporate Governance Principles of OECD, international point of reference for corporate governance.

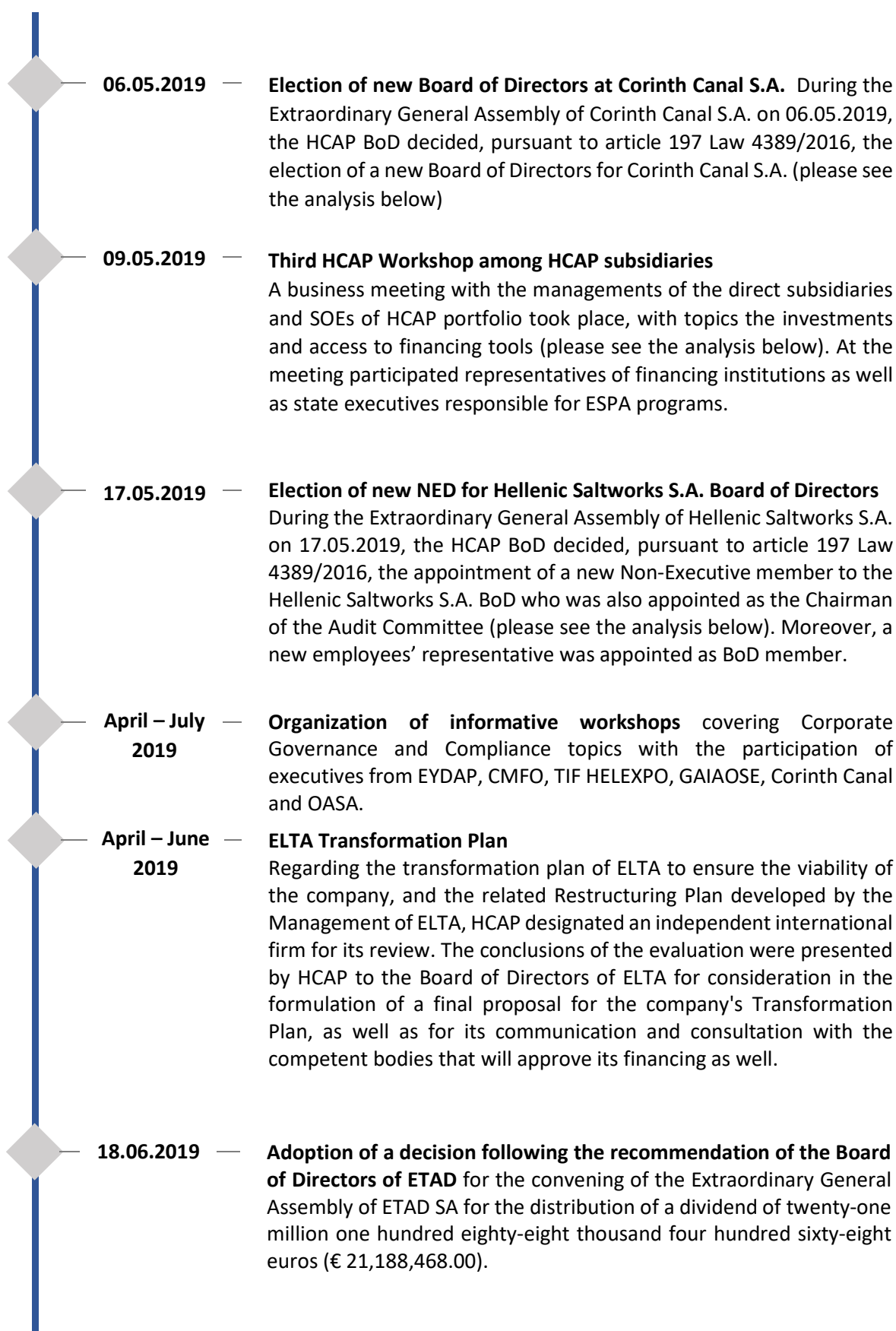
Moreover, in relation to reporting obligations, the Board of Directors submits to the Supervisory Board quarterly reports in relation to the compliance with the rules of corporate governance, as provided by the regulatory framework for the operation of the Corporation. Also, in relation to financial reporting, it submits:


- ✓ quarterly reports on actions and company financial statements,
- ✓ reviewed semi-annual separate and consolidated financial statements and
- ✓ audited annual separate and consolidated financial statements.

A.8. Activities of the 01.04.2019 - 30.06.2019 period

The most important actions and activities of the Corporation for the second quarter of 2019, and specifically for the period **01.04.2019 - 30.06.2019**, are presented below





- 
- 19.06.2019 — Election of new Board of Directors at KATH S.A.**
During the Extraordinary General Assembly of KATH S.A., the HCAP BoD decided, following the respective proposal from the Candidates' Committee pursuant to article 197 Law 4389/2016, the election of a new Board of Directors for KATH S.A. as of 19.06.2019 (please see the analysis below)
 - 20.06.2019 — Approval of the Corporate Governance Report for the first quarter of 2019 for the period 01.01.2019 – 31.03.2019** regarding the compliance with the Corporate Governance Rules of the law and the Corporation's Rules of Procedure according to article 192 Law 4389 / 2016 which was subsequently submitted to the Supervisory Board
 - 20.06.2019 — Approval of the first Quarterly Report 2019 for the period 01.01.2019 -31.03.2019** on the Corporation's actions and financial statements in accordance with article 195 Law 4389/2016. The Report was submitted to the Supervisory Board for approval and then was posted on the Corporation's website.
 - 26.06.2019 — Election of new Board of Directors at EYDAP S.A.**
During the ordinary General Assembly of EYDAP S.A., the HCAP BoD decided, following the respective proposal from the Candidates' Committee pursuant to article 197 Law 4389/2016, the election of a new Board of Directors for EYDAP S.A. as of 27.06.2019 (please see the analysis below)

Board of Directors of the Subsidiaries

Appointment of members at BoDs and Audit Committees

Following the review of a large number of CVs and after the pre-selection and further assessment of a large number of professionals, HCAP's Board of Directors following relevant proposals of the Candidates Committee has appointed until end of June 2019, 54 members in 11 Boards of the portfolio's subsidiaries, through open, professional and transparent procedures.

In the second quarter of 2019, four (4) new BoDs of SOEs were selected (also filling of members in other BoDs took places) following market research, evaluation, and a number of meetings with potential candidates with qualifications for executive and non-executive positions and with the support on a case-by-case basis of qualified consultants of recognized standing and experience.

It is important to highlight that most of the newly appointed board members have long professional experience of more than 20 years in the private and/or wider public sector, having driven successful business initiatives and managed large teams and operations in Greece and/or abroad.

Also, recognizing the importance of the role of the Audit Committee in a BoD, HCAP has proceeded to appointment up to the end of June 2019 of ten (10) Chairmen of Audit Committees on the Boards of Directors of ETAD, ELTA, PPC, Corinth Canal, KATH, GAIAOSE, EYATH, OASA, EYDAP and Hellenic Saltworks, while soon the posting of the remaining ones will be completed in order to ensure the objective of the proper functioning of the Audit Committees in the State owned Enterprises.

Also, following recommendation of HCAP has been established and operates with decision of the Board of Directors of HRADF in July 2019 an Audit Committee.

Training and education of the subsidiaries on regulatory compliance and corporate governance issues

The Corporation actively supports the work of the Greek Corporate Governance Council (ESED), in which it participates with the Athens Stock Exchange, the Business and Industry Association, the Hellenic Association of Banks and the Hellenic Association of Institutional Investors.

HCAP, having in its portfolio a number of companies that influence the country's critical economic factors, such as growth, employment, competitiveness and extroversion, recognizes the adoption of corporate governance rules and good practices as an important part of its mission. In this context, it is working systematically to improve corporate governance in Public Enterprises through a number of initiatives and actions:

- ✓ Upgrades the role of Audit Committees in the Boards of its subsidiaries by electing chairmen of committees with appropriate knowledge and professional experience to effectively support the Boards as well as the quality of financial reporting, internal audit and risk management.
- ✓ Develops corporate governance toolkit and best practice manuals for its portfolio subsidiaries
- ✓ Evaluates systematically and with specific performance indicators the progress of implementing compliance and corporate governance rules
- ✓ In collaboration with its subsidiaries, and with the support of specialized workgroups made up of HCAP executives, develops and implements regulatory compliance policies and procedures, and organizes

training programs for its subsidiaries tailored to the needs of each business, aiming at their awareness in relation to good corporate governance issues. At the same time, it is also developing an e-learning program that will be implemented gradually in all its subsidiaries.

Appointment of the new Board of Directors of OASA

The Board of Directors of HCAP, sole shareholder of OASA, acting within its competences and in accordance with the procedure established in article 197 par. 4 Law 4389/2016, has evaluated and selected executives with experience and knowledge in the field of transportation, who collectively bring together considerable and diversified experience, in order to implement the strategic goals of OASA.

More specifically, the Board of Directors of HCAP, unanimously, decided the appointment of the following members to the Board of Directors of OASA, with force from 6 May 2019:

- Ioannis Skoumpouris, Chairman of the Board of Directors
- Nikolaos Athanasopoulos, Chief Executive Officer, Executive Member
- Angelos Amditis, Non-Executive Member
- Nikolaos Kalatzis, Non-Executive Member
- Vasiliki Kefalas, Non-Executive Member

The seven-member Board of Directors is completed with the employee representative (Non-Executive Member), according to article 20 par. 3 of OASA's AoA and also with Ms. Vasiliki Dimitrakopoulou, (Non-Executive Member), selected by the Minister of Finance in accordance with Article 197 par. 4 of Law 4389/2016.

Below there are short CVs of the Members of the Board of Directors of OASA:

Ioannis Skoumpouris,
Chairman of the Board
of Directors

Born in 1961. Graduated from the Department of Chemical Engineering of the National Technical University of Athens and holds a Master's Degree in Philosophy of Science. From 1988 to 2002 he worked at the Hellenic Agency for Local Development and Local Government (E.E.T.A.A. S.A.) as Head of Development and Project Manager dealing with large infrastructure projects and being responsible for the design and implementation of local government development programs. Since 2002 he has been providing services as a senior consultant in business planning, environmental, energy and infrastructure projects as well. In addition, from 2010 until 2012 he worked at the Ministry of Infrastructure, Transport and Networks as Technical Consultant, contributing to the design of institutional framework for the restructuring of railway operators, urban transport, etc. From 2015 to 2016 served as Special Advisor to the Alternate Minister of Industry, regarding industrial policy matters. In 2016 he has been appointed as Chief Executive Officer at Athens Urban Transport Organization S.A. During his professional career, he has also published scientific guides focusing on business plan management.

Dr. Nikolaos
Athanasopoulos,
CEO, Executive Member

Born in 1978. Graduated from the Department of Electrical and Computer Engineering of the National Technical University of Athens in 2001, where he also obtained his PhD in 2006. From 2003 to 2012 he worked with academic foundations, research foundations and companies, managing R&D projects in the fields of I.T. and telecommunications. From 2010 to 2016 he managed the Strategic Planning Portfolio of TRAINOSE SA focusing on the development of new products and strategies by applying new technologies. In 2016 he held the position of Director of Railway Transport in Rail Cargo Logistics Goldair with the aim of designing, organizing and certifying the procedures of the company's rail transport department. Since February 2018 he has been employed by the European

Commission in the Shift2Rail Joint Undertaking, as Programme Manager managing a wide portfolio. He also served as Vice Chairman of the Board of Directors of TRAINOSE SA (2010- 2013) and Member of the Board of Directors of Road Safety Institute (2014-2016).

Dr. Aggelos Amditis,

Non – executive member

Born in 1968. Graduated from the Department of Electrical and Computer Engineering of the National Technical University of Athens (1992). He holds a Ph.D. from the same Department (1997) and an MBA from the University of Piraeus and the NTUA. He has lectured at the Department of Electrical and Computer Engineering of the NTUA and at the Hellenic Naval Academy as well. In January 2002 he founded the I-SENSE Research group at the Institute of Communication and Computer Systems (ICCS) being active in the scientific and research fields of Intelligent Transportation Systems, Telecommunications, Automation and Smart Integrated Systems such as Sensors, Communications and Vehicle Platforms, Smart Cities, Environmental and Industrial applications. He is the Vice President and one of the founding member of the Hellenic Association for the deployment of Intelligent Transport Systems (ITS Hellas) and of the EuroVR Association. Moreover, he is a Research Director (Researcher Grade A) at ICCS of NTUA where he is also a member of its Board of Directors. He has been the Scientific Responsible in more than 120 European and National research projects. He is the author of many articles in scientific journals, book chapters and over 180 conference articles. He represents ICCS in ERTICO - ITS Europe, where he is the Chairman of the Board of Directors. He is the National Representative of Greece at EU on Co-operative Connected and Automated Transport and Mobility (C-ITS and CCAM).

Nikolaos Kalatzis,

*Non – Executive
Member (Chairman of
the Audit Committee)*

Born in 1971. He holds a BSc in Economics from the National and Kapodistrian University of Athens and also the professional accreditation of Certified Public Accountant (CPA) from the Institute of Certified Public Accountants of Greece (SOEL). In addition, he has completed the executive training program in tax law at Athens University of Economics & Business (AUEB). He has more than 15 years of working experience in national and multinational corporations in consulting, such as Deloitte, Baker Tilly and BDO in C level managerial positions, providing auditing and assurance services in statutory audit, regulatory audit, financial due diligence procedures and vendor due diligence projects. In 2008 he served as Chief Financial Officer in a multinational aircraft servicing company and since February 2015, he is the Chief Audit Executive of Athens Medical Group a listed company on the Athens Stock Exchange.

Vassiliki Kefala,

*Non – Executive
Member*

Born in 1969, New York, USA. She holds a Bachelor in Economics & Political Sciences from the City University of New York and an MBA in Finance from the Lubin School of Business of Pace University also in New York. From 1993 to 1995, she worked as a Management Consultant in New York and since 1995 moved to Greece to work in senior posts in the finance divisions of British Petroleum, of Athens International Airport and of Ellaktor Group (Aktor Concessions). Since 2012 she is the Head of Investments & Development Projects for Consolidated Contractors Company, focusing on investment and shareholders' interests in large infrastructure projects globally, expanded to more than 40 countries. Since December 2015, she is a voting Member of the Investment Committee of the European Fund for Strategic Investments (EFSI) at the European Investment Bank in Luxembourg. Ms. Kefalas is a member of the World Economic Forum (Global Future Council) for Long Term Investments & Infrastructure projects as well as an appointed independent expert on grants and communication matters for the European Commission.

Appointment of the new Board of Directors of Corinth Canal

The Board of Directors of HCAP S.A., sole shareholder of Corinth Canal, acting within its responsibilities according to the procedure established in article 197 par. 4 Law 4389/2016, unanimously, decided the

appointment of members to the Board of Directors of Corinth Canal, with force from 6 May 2019. The composition of the Board of Directors during the period of second quarter of 2019 was the following:

- Pantelis Pantelidis, Chairman of the Board of Directors
- Eleni Sakisli, Chief Executive Officer, Executive Member
- Sotiris Drekos, Non-Executive Member
- Efthymios Dritsas, Non-Executive Member
- Georgios Kolovinos, Non-Executive Member
- Anastasios Kontosis, Non-Executive Member

The seven-member Board of Directors is completed with Mr. Spanos Athanasios (Non-Executive Member), selected by the Minister of Finance in accordance with Article 197 par. 4 of Law 4389/2016.

Below there are short CVs of the Members of the Board of Directors of Corinth Canal:

Pantelis Pantelidis,
*Chairman of the Board
of Directors*

Born in 1964. He studied Civil Engineering at the National Technical University of Athens (1983-1988). He got a MSc degree in Soil Mechanics & Engineering Seismology from Imperial College of Science, Technology and Medicine (1988-1989) and also a Postgraduate degree in Structural Analysis and Design from National Technical University of Athens (1998-2000). He worked as a freelancer in the design supervision-construction of Geotechnical and Construction Projects, in consulting and also in the design of large scale infrastructure projects such as Athens metro. He holds a class C License in Geotechnical Design and a class B License in Structural Design. Moreover, he participated as a Construction Site Manager in the support of basement excavation projects at Megaron Athens Concert Hall, at Hellenic General Insurance Company in Syngrou Av., at Cacoyannis Foundation in Piraeus Av., at Onassis Foundation in Syngrou Av. as well as in numerous construction projects.

Eleni Sakisli,
CEO, Executive Member

Born in 1958. She holds a BSc in Business Administration from the Hellenic Open University and has completed the learning program "Maritime Business Administration" of the National & Kapodistrian University of Athens. During her professional career she has worked in accounting, credit control and marketing. Since 1983 she has worked for the Ministry of Finance in senior posts in Financial Services Divisions such as Chalandri Tax Office (1990-2010) and Financial & Economic Crime Unit of Attica Region. She has also served as Head of the Department of Informatics of the Regional Special Secretariat for Financial & Economic Crime Unit of Attica Region and as an instructor at the Training Division of Ministry of Finance. She was a member of the editorial team of "Tax Investigation" magazine. Since 2016 she has been appointed as Chief Executive Officer of the Board of Directors of Corinth Canal.

Sotiris Drekos,
*Non – Executive Member
(Chairman of the Audit
Committee)*

Born in 1967. He studied at Deree College and University of La Verne and he holds a BSc degree in Business Administration. He has a professional experience of more than 28 years holding positions in financial advisory, as a consultant, an auditor, an executive and BoD Member. He worked as an auditor for 17 years at two international auditing firms (Arthur Andersen 1990-2002 and KPMG 2002-2007) and then held the position of the CFO at Meadway Shipping and easyCruise where he was also member of the BoD. He has extensive experience on corporate finance fundraising and corporate restructuring services by participating in strategic planning projects, listing companies at the stock exchange, as well as transforming and improving processes. His professional career was mainly in the shipping and hospitality industries. Presently, he is a Partner at Eiger Marine, a consulting firm.

Efthimios Dritsas,
Non – Executive Member

Born in 1985. Graduated from the Department of Mineral Resources Engineering Non-Executive of the Technical University of Crete. Since 2017 he works in the supply chain of Landis + Gyr S.A., a company which provides energy management products and services using cutting-edge smart grid technologies. Moreover, he is a partner of a company operating in the hospitality and leisure industry in the area of Loutraki. During his professional career he has participated in training seminars relevant to the energy field. Since 2016 he has been appointed as Non-Executive Member of the Board of Directors of Corinth Canal.

Giorgos Kolovinos,
Non – Executive Member

Born in 1965. He holds a BSc in Industrial Engineering and Economics from the New Jersey Institute of Technology (NJIT). He has more than 25 years of working experience in local and multinational companies in managerial positions for technical services in Greece and abroad. Mr. Kolovinos has gained an extensive experience in sales networks, trade marketing and inventory management working in large companies in the field of supply chain and logistics. Since 2016 he holds the position of the Operations Manager in the 2G Group, a service provider company. During his professional career Mr. Kolovinos has held various managerial positions such as General Manager in Metron Logistics S.A., Director of Technical Services in Saracakis Group, Transportation (Bus) Network Director for the Olympic Family for Athens 2004, contributing substantially to the successful coordination of the transport project during the Olympic Games.

Anastasios Kontosis,
Non – Executive Member

Born in 1971. He holds a BSc in Economics from City University in London and an MBA from ALBA Graduate Business School in Athens. The last eight years he is Partner and Member of the Board of Directors of a Certified Public Accounting Firm (member of the 6th global network of audit, tax advisory and accounting firms). He was also elected unanimously three times from the Shareholders General Assembly and served for more than three years as Chief Executive Officer (CEO) of the aforementioned firm. Over the past twenty years, he has gained extensive professional experience and knowledge regarding the provision of financial advisory & management consulting services in various industries, having completed more than one hundred individual project engagements for publicly or privately held companies. He worked with Ernst & Young Hellas Certified Auditors - Accountants, and also served as Deputy CFO and Head of Financial Planning & Control in a Greek Group of Companies. Then he founded his own financial advisory company providing professional advisory services.

Appointment of the new Board of Directors of KATH

The Board of Directors of HCAP S.A., sole shareholder of KATH, acting within its responsibilities according to the procedure established in article 197 par. 4 Law 4389/2016, unanimously, decided the appointment of the following members to the Board of Directors of KATH:

1. Theodoros Papadopoulos, Chairman of the Board of Directors, Non-Executive Member
2. Antonis Bouris, Chief Executive Officer, Executive Member of the Board of Directors
3. Alexandros Foteinos, Non-Executive Member of the Board of Directors
4. Panagiotis Magas, Non-Executive Member of the Board of Directors
5. Vasilis Haitas, Non-Executive Member of the Board of Directors

The current, nine - member Board of Directors is completed with the Traders Association of Thessaloniki Central Fruit and Vegetable Market representative (Non-Executive Member), the Meat Traders Union representative (Non-Executive Member) and the Employee representative (Non-Executive Member), according to article 12 para. 4 of KATH's Statutory. Also Mr. Theodoros Kogiannis (Non-Executive Member), selected by the Minister of Finance in accordance with Article 197 par. 4 of Law 4389/2016.

Below there are short CVs of the Members of the Board of Directors of KATH:

Theodoros Papadopoulos,
Chairman of the Board
of Directors, Non-
Executive Member

Born in 1959. Graduated from the Department of Agriculture of the Aristotle University of Thessaloniki. In 1987, he started his professional career as an Officer at the Technical Service Department in the Municipality of Ampelokipoi. Since 1989, he has been working at the Association of Municipalities of Western Thessaloniki, where he held the position of the Officer at the Technical Service Department and then moved to the Environment Department as a Supervisor. Since 2013, he has held the position of Division Head in the Services Department. During his career he has participated in numerous seminars at the Regional Training Institute of Thessaloniki and at the Geotechnical Chamber of Greece. Since 2016 he has been appointed as Non-Executive Member and Vice-Chairman of the Board of Directors at Central Market of Thessaloniki S.A.

Antonis Bouris,
Chief Executive Officer,
Executive Member of the
Board of Directors

Born in 1957. Holds a BS in Economics, a BS in Food Science and Technology (Agrarian Faculty) and a BS in Italian Language from Aristotle University of Thessaloniki. In addition, he holds a MS in Food Science and Technology from the University "La Sapienza" of Rome. He has 30 years of professional experience, of which 15 in the food industry, serving in managerial positions, such as Production and Quality Control Director at a dairy company and Plant Manager at an export oriented producer of tomato products, frozen vegetables etc. From 2003 through 2015 he worked at Viohalco Group, initially as General Manager of Vitruvit S.A. and Keramia Axiou S.A. and from 2007 through 2015 as Deputy General Manager at Dojran Steel, increasing exports and improving bottom line respectively. He also worked as Deputy CEO at the Greek Sugar Industry for six months and subsequently joined the pipe industry Nikolaidis of Metalcorp Group as Chairman and Managing Director.

Alexandros Foteinos,
Non-Executive Member
of the Board of Directors
(Head of the Audit
Committee)

Born in 1981. He holds a Bachelors in Economics from the University of Patras, an MSc in Accounting & Finance from the University of Macedonia, and he is a Certified Public Accountant in Greece. During his professional career has completed the training program of Institute of Certified Public Accountants (IESOEL) in Greece, and has been awarded with the IFRS Diploma of ACCA. He worked in Ernst & Young for 11 years with international experience and was involved in audits within many industries like Construction, Manufacturing and FMCG. Since January 2018, he works as a Financial Reporting Manager in a Construction Company.

Panagiotis Magkas,
Non-Executive Member
of the Board of Directors

Born in 1968. Graduated from the Economics Department of the Law School of the Aristotle University of Thessaloniki (1992) and holds a Master's degree from the University of Stirling, Scotland, UK. In his 20-year career, he worked in some of the most well-known companies in Northern Greece, such as HB BODY, ELVIAL, SARAH LAWRENCE, ALUMIL, INTERALLIS, holding executive positions in their commercial departments. Most of his service in the above companies concerns development and organization of their networks in international markets. He is a member of the Economic Chamber of Greece with the right to sign balance sheets.

Vasilis Haitas,
Non-Executive Member
of the Board of Directors

Born in 1960. Graduated from Aristotle University of Thessaloniki, where he completed a Masters and a Bachelors in Geotechnical Sciences. From 1988 to 2002, he worked in Redestos Efthymiadis Group holding various positions among which, the position of the Group Commercial Director and position of the General Manager for one of the Group subsidiaries, Agrolab SA. From 2003 to 2008, he worked for Themeliodomi Group as General Manager in Topos SA, Managing Director in No Limits SA and afterwards as Administration Director in Themeliodomi SA. Since February 2008 he holds the position of the Managing Director in Agritex Energy SA and also in March 2009 has served as a CEO.

Appointment of the new Board of Directors of EYDAP

The Board of Directors of HCAP S.A., majority shareholder of EYDAP, acting within its responsibilities according to the procedure established in article 197 par. 4 Law 4389/2016, unanimously, decided the appointment of the following members to the Board of Directors of EYDAP:

1. Theodora Varvarigou, Chairman of the Board of Directors, Non-Executive Member
2. Harry Sachinis, Chief Executive Officer, Executive Member of the Board of Directors
3. Anastasios Tosios, Executive Member of the Board of Directors
4. Aikaterini Beritsi, Non-Executive Member of the Board of Directors (Head of the Audit Committee)
5. Angelos Amditis, Non-Executive Member of the Board of Directors
6. Dimitrios Konstantakopoulos, Non-Executive Member of the Board of Directors
7. Alexander Nassuphis, Non-Executive Member of the Board of Directors
8. Michael Stavroulakis, Non-Executive Member of the Board of Directors

The above Board of Directors completes, in accordance with article 11 par.2 of EYDAP's Statute, with two members (non-executive members) as they have been appropriately elected by the Special Shareholders' Meeting (11 June 2018) on behalf of the Minority Shareholders, the tenure of whom expires on June 11th 2023, another two (non-executive members) being EYDAP's employee representatives and by Mr. Alexandros Pouliasis (non-executive member) who was selected by the Minister of Finance in accordance with Article 197 par. 4 of Law 4389/2016.

Below there are short CVs of the Members of the Board of Directors of EYDAP:

Theodora Varvarigou,
Chairman of the Board of
Directors, Non-Executive
Member

Born in 1966. She is a professor at the School of Electrical and Computer Engineering of the National Technical University of Athens (NTUA). She received the Bachelor Tech degree in Electrical Engineering from NTUA (1988), the MS degrees in Electrical Engineering (1992) and in Computer Science (1993) from Stanford University, California. She received her Ph.D. degree from Stanford University as well in 1992. She has worked as a member of technical staff at AT&T Bell Labs, USA (1991-1994) and as an Assistant Professor at the Technical University of Crete, Chania, Greece (1995-1997). She has served as the director of the postgraduate program "Engineering Economic Systems" of NTUA between 2008-2012. She has worked in cutting edge technologies, such as cloud computing, big data technologies, IoT technologies, semantic web, social networking technologies, artificial intelligence and machine learning etc. She has published over 500 papers in leading international journals, conferences and books. She has participated and coordinated more than 60 European research projects.

Harry Sachinis,
Chief Executive Officer,
Executive Member of the
Board of Directors

Born in 1958. He holds an engineering degree from the National Technical University of Athens, Greece and an MBA from Harvard Business School. Since 2017 he held the position of the Business Development Officer at Aegean Airlines. Previously, he held positions such as Partner at Global Finance, and Operating Partner at Advent International. From 2009 to 2014 he was the Chairman and CEO of DEPA Group where he improved business efficiency, negotiated and completed major supply contracts, and contributed in the shaping of alternative gas supply routes to Europe. From 2004 to 2009 he served as a President of the McGraw-Hill Companies' Business Information Group, which he made into one of the top global business-to-business information companies, specializing in the aerospace and defence, construction and energy industries. Earlier, he was President of Platts, which he built into the world's largest energy price and information provider. He actively promoted transparency and integrity in the global energy markets. He was also Group Vice President of Standard & Poor's, where he grew key strategic businesses in the financial information sector. He

is a Member of the Boards of Directors of ICAP, of ATHEXClear, of ENEXClear, and of the Atlantic Council, and on the Investment Committee of CNL Capital.

Anastasios Tosios,
*Executive Member of the
Board of Directors*

Born in 1972. He holds a Master degree in Mechanical Engineering from the Aristotle University of Thessaloniki and an MSc in Technical Change and Industrial Strategy from the Manchester Business School. He has completed the Leadership Development Program at Harvard Business School and an MBA at ALBA Graduate Business School. From 2002 to 2016 worked for Attiki Gas Supply Company holding managerial positions such as B2B Sales Manager, Customer Service Director participating to the top management team. In 2017 held the position of the Commercial Director at Attiki Natural Gas Distribution Company managing to succeed customer growth and improve customer service experience. He has extensively experience in energy networks and market as well. He serves as a Vice Chairman of the Hellenic Association for the Cogeneration of Heat and Power (HACHP), and as a President of the Natural Gas Committee of the Institute of Energy for South East Europe (IENE).

Aikaterini Beritsi,
*Non-Executive Member
of the Board of Directors
(Chair of the Audit
Committee)*

Born in 1955. Graduated from the Department of Economics of the National and Kapodistrian University of Athens. She has also completed the program Modern Governance in Banking at INSEAD. During her professional career she has worked in major banks such as Emporiki Bank, New PROTON BANK and Piraeus Bank by participating in their top management teams and holding senior positions, such as, Managing Director of Emporiki Asset Management and Managing Director of the Emporiki Venture Capital Group, among others. Since 2004 she has been served as a Non-Executive member to numerous Boards of Directors in Greece and abroad, enhancing the operation of the Audit and Risk Committees. In 2017 she has been appointed as a Non-Executive member of the Board of Directors of Eurobank representing the Hellenic Financial Stability Fund, a position which she still holds.

Angelos Amditis,
*Non-Executive Member
of the Board of Directors*

Born in 1968. Graduated from the Department of Electrical and Computer Engineering of the National Technical University of Athens (1992). He holds a Ph.D. from the same Department (1997) and an MBA from the University of Piraeus and the NTUA. He has lectured at the Department of Electrical and Computer Engineering of the NTUA and at the Hellenic Naval Academy as well. In January 2002 he founded the I-SENSE Research group at the Institute of Communication and Computer Systems (ICCS) being active in the scientific and research fields of Intelligent Systems for smart cities, Environmental and Industrial applications. He is the Vice President and one of the founding member of the Hellenic Association for the deployment of Intelligent Transport Systems (ITS Hellas) and of the EuroVR Association. Moreover, he is a Research Director (Researcher Grade A) at ICCS of NTUA. He has been the Scientific Responsible in more than 120 European and National research projects. He represents ICCS in ERTICO – ITS Europe, where he is the Chairman of the Board of Directors and the European Technology Platform for water WssTP (Water Supply and Sanitation Technology Platform). He is the National Representative of Greece at EU on Co-operative Connected and Automated Transport and Mobility (C-ITS and CCAM).

**Dimitrios
Konstantakopoulos,**
*Non-Executive Member
of the Board of Directors*

Born in 1961. He is a graduate of the University of Athens School of Economics, and holds an M.A. in Finance and Investments from the University of Exeter, UK. He has worked for over 30 years in the Greek banking sector. Since 1994 he has worked in the NBG Group, providing financial advisory services in many major infrastructure projects implemented in Greece. These include Athens International Airport, the Rion – Antirion Bridge, Attiki Odos and the Greek Motorways Concession Scheme. In addition, he has advised on the provision of financing in long-term concessions and PPP projects, working as Deputy Manager in the Specialised Lending Department (Project Finance) of

the National Bank of Greece. Since 2018 he holds the position of Investment and Concessions Manager at the Hellenic Corporation of Assets and Participations SA.

Alexander Nassuphis,
Non-Executive Member
of the Board of Directors

Born in 1969. Graduated from the Department of Mechanical Engineering of the National Technical University of Athens in 1995 and holds an MBA (1997) from the Manchester Business School. From 1988 to 2013 he worked in senior positions as a corporate finance advisor with various international financial institutions, including Managing Director at HSBC where he focused on large utilities and infrastructure clients across Europe. From 2013 to 2015 he acted as senior consultant on energy and finance related matters. In 2015 he joined First State Investments, as a Director in the infrastructure investment division which manages in excess of €6bn of capital. He serves as a non-executive Director on the Board of Anglian Water Group Ltd (since 2015), where he is also Member of the Audit Committee. In 2019, he has been appointed as a non-executive Director to the Board of OLT Offshore LNG Toscana S.p.A.

Michael Stavroulakis,
Non-Executive Member
of the Board of Directors

Born in 1960. Graduated from the Accounting Department of the Technological Educational Institute of Crete (1981) and studied Business Administration at the University of Piraeus (1986). He holds a Certificate in International Accounting Standards from Panteion University and has A class signatory rights. During his professional career he has worked as an independent accountant – tax consultant, and also as a financial advisor to a number of companies, acquiring significant experience in international commercial and financial transactions. Moreover, from 1992 to 2010 he served as a Chief Financial Officer of Transdon Inc. Since 2015 he has been appointed as a Non-Executive Member to the Board of Directors of EYDAP and Head of the Audit Committee.

In addition to the above Board of Directors which have been evaluated, sole members have been appointed in replacement of resigned members or/and in vacant posts in the BoDs of certain subsidiaries.

More specifically:

Appointment of a member at the Board of Directors of Hellenic Saltworks:

Kosmas Liaros,
Non-Executive
Member (Audit
Committee Chair)

Born in 1962. He holds a BSc degree in Business Administration from the University of Piraeus and an MBA degree from the University of Bradford, UK. He has acquired the professional certifications of Certified Internal Auditor (CIA) and Certified Risk Management Auditor (CRMA) from the International Institute of Internal Auditors (IIA). He is currently a partner in Verallis Management Consulting while in the past had served as a senior executive in multinational companies gaining significant experience in the fields of corporate governance and internal audit in various industries such as Banking, Insurance, Manufacturing, Food and Beverage, Wholesale, Retail, Shipping, Industrial Areas, Shipbuilding, Oil Refinery and Distribution, Construction, Telecommunications, Health and Care, Mining, Leasing, Asset Management and Real Estate. He specializes in conducting risk assessments, internal audit and special investigations, valuation of companies, SarbanesOxley 404 programs, quality assurance reviews of internal audit units, design of appraisal programs and support tools for Audit Committees, attestation engagements on internal controls to companies according to global best practices and rules of Bank of Greece.

Appointment of a member at the Board of Directors of PPC:

Despina Doxaki,
Non – Executive Member

Born in 1968. She is a graduate of the Faculty of Law of the Ethniko and Kapodistriako University of Athens and holder of an LLM in European Law from the Institute of European Studies of the Free University in Brussels. She has an accumulated professional experience of over 26 years in the area of international cross border transactions primarily advising and representing commercial, institutional, development and supranational banks and credit institutions. She specializes in structuring and negotiations of complex financings and funding such as (i) structured finance (EMTN, bond and note issuances, senior sub. secured and unsecured, securitizations, treasury transactions (IRS, SWAP) etc), (ii) project finance & privatizations (in all industry sectors such as energy RES, thermal, energy efficiency, waste management, Oil&Gas (upstream/downstream), mining, infra (ports, roads, airports, bridges, marinas) , utilities (hospitals, schools, police premises), real estate (shopping malls), leisure (hotels)) either in private projects or via PPP/PFI, (iii) corporate finance, debt and equity raising (IPO and capital market transactions) (iv) debt restructurings and refinancing. During her carrier she has worked with the EU Commission, KPMG, Alpha Bank AE, CIS, and the last 15 years in legal private practice with KG Law Firm, in Brussels with Stanbrook&Hooper (McDermont&Ellis) Law Firm and international law firms in the London Chadbourne/NRF, Shearman and Milbank. She currently holds the position of Chief Legal Counsel of the Hellenic Financial Stability Fund. She has working in Athens London and Brussels, is Greek native speaker and fluent in English and French.

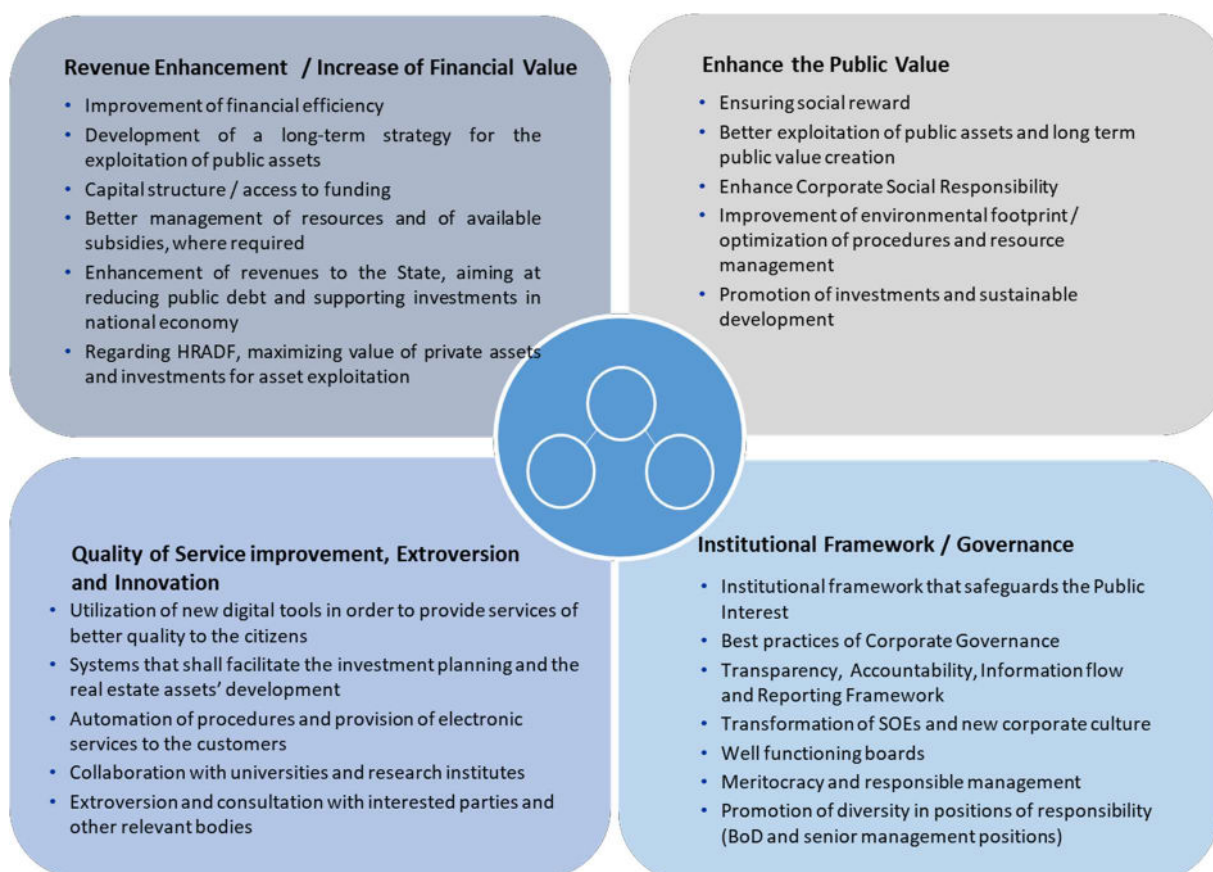
Strategic and Business Plan

Strategic Plan

HCAP's Strategic Plan² was approved by its General Assembly in January 2018 and comprises the main tool towards the fulfilment of HCAP's purpose which is to safeguard and maximize the value of state owned property, also by giving specific priority to the dissemination of appropriate Corporate Governance principles for the reassurance of the maximum possible transparency and accountability and, in parallel, by defining the reporting and performance monitoring framework, as well as the information disclosure requirements for the subsidiaries. It has been prepared taking into account the Strategic Guidelines received from the Sole Shareholder, as represented by the Minister of Finance which were sent to HCAP's BoD on 01.09.2017. Said Strategic Guidelines include, among others, the state priorities for public and growth policy, as well as for the protection of the public interest, which HCAP has to take into consideration while serving its purpose.

HCAP Strategic Plan has also served as the guidance for the drafting and updating of the Business Plans of its direct subsidiaries, a process completed in April 2018, with the diligence and responsibility of their management. The process was carried out for ETAD, as well as for the other non-listed subsidiaries (State Owned Enterprises), where HCAP is the majority shareholder or the sole shareholder, immediately after their incorporation since 01.01.2018 into HCAP's portfolio.

Brief outline of Priorities and Objectives of the HCAP Strategic Plan



² It should be noted that HCAP's Strategic Plan does not include analysis and objectives neither for HFSF nor for HRADF – in relation to the assets included in the Asset Development Plan implemented by HRADF. Finally, it does not include analysis related to the non-listed companies where HCAP is a minority shareholder.

HCAP Business Plan 2019-2021

Based on the Strategic Plan, HCAP has proceeded with the development of its business plan for a three-year period, spanning from 2019 to 2021.

The Business Plan describes the current situation, as well as the targets and milestones achieved to date. Additionally, it analyzes the actions and HCAP objectives for the next three years, in two main directions: a) Corporate Governance and b) Strategic Directions & Monitoring Framework.

Regarding **Corporate Governance**, the business planning currently being implemented, includes, among others, the following:

- creation of a Corporate Governance manual in order to harmonize SOEs' operations with best practices, including a procedural manual for the BoD and committees;
- completion of the assessment of the Boards of Directors of all SOEs and appointment of new Board members and committees where required;
- enhancing diversity in the selection of BoDs;
- strengthening the Internal Control function and the Audit Committee's role and responsibilities in all SOEs boards; appointment of Chairs of Committees with appropriate knowledge and experience;
- conducting workshops to create a new Compliance culture and transferring relevant knowhow to subsidiaries;
- monitoring the roll-out of ETAD's new organization chart with timely resolution of any problems during the transition from the old to the new organizational and operational model;
- stakeholders' involvement through organizing the framework, as well as the processes, tools and resources for the consultation with social and economic parties;
- continuous reinforcement of managerial skills and creation of a succession plan at the highest administration levels;
- embedment of a new corporate culture through administrative transparency and accountability, and also through independence, at all levels, and with

many other actions aiming at the implementation of better governance practices by HCAP and its subsidiaries (spanning from the establishment of KPIs to developing e-learning tools).

Regarding **Strategic guidelines and the Monitoring framework**, the business planning provides for the following actions:

- monitoring of the Strategic Plan execution with specific actions implemented by the subsidiaries to improve their efficiency, make better use of resources and rationalize their operating costs
- implementation of the Coordination Mechanism procedures (as provided by the Corporation's Rules of Procedure) aiming towards a more effective cooperation among the State, HCAP and SOEs;
- implementation of a target-setting model using Key Performance Indicators (KPIs) in the subsidiaries, where HCAP is the majority shareholder; also, performance monitoring through regular and systematic reporting;
- improving ETAD's efficiency and effectiveness after completing its re-organization and providing support to the management of other SOEs to implement reorganization and/or restructuring initiatives
- implementation of Dividend and Investment Policy;
- exploring alternative sources of funding for SOE's investments;
- enhancing corporate social responsibility and environmental consciousness, as well as improving environmental footprint, including energy savings (i.e. energy efficiency of buildings) and/or actions to promote awareness (i.e. to safeguard the natural resource of water)

HCAP's Business Plan depicts the current status of the direct subsidiaries (HRADF and ETAD) and the other Subsidiaries (State Owned Enterprises). Their three-year business plan is also presented, including short-term and medium-term actions and priorities. For the

first time, targets are defined and quantified in terms of key performance indicators (KPIs), with a perspective on both financial and operational efficiencies, to the non-listed subsidiaries where HCAP is a majority shareholder.

HCAP has developed its business planning, targeting and KPIs setting process through a series of meetings with the management and the executives of the aforementioned companies.

In practice, this new approach of targeting through KPIs, has been a common effort of the non-listed subsidiaries and HCAP and is a substantial reform, covering the four areas of strategic interest, also developed in the HCAP Strategic Plan, namely:

1. Revenue Enhancement and Increase of Financial Value
2. Institutional Framework and Corporate Governance
3. Improve Quality of Service, Extroversion and Innovation
4. Public Value Enhancement

This initial target-setting model applied to the non-listed subsidiaries where HCAP is a majority shareholder, aims to set a clear strategic and business framework for operations and growth, including commitment from their Board in order to enable measurement, quantification and performance assessment of the company and its executives.

KPIs progress monitoring in the non-listed subsidiaries of HCAP portfolio

In the second quarter of 2019, the process of collecting all the necessary data (quantitative and qualitative) from the subsidiaries was initiated in order to monitor their progress towards their targets. Through a systematic process and common tools for all companies (Performance Review Dashboards), the progress of the targets was presented (financial, operational, public value, corporate governance and compliance metrics, etc.)

In this context, meetings with executives followed in order to further analyze Q1 2019 results.

This process will be held on a regular basis and will help to better monitor the performance of HCAP's portfolio companies, as well as to timely identify corrective actions in case of deviations from the set targets.

Adoption of a Unified Monitoring and Financial Reporting Framework for subsidiaries

In line with best practices and the provisions of its Rules of Procedure, HCAP has set up a **framework of monitoring and reporting rules** for its subsidiaries, so as to improve their profitability and financial performance.

More specifically, HCAP:

- requested from the non-listed subsidiaries, where HCAP is a majority shareholder, to prepare a budget for the year 2019 and following that, report progress on budget implementation
- discussed with the above subsidiaries the framework of the required financial reporting, and more specifically that the Annual Financial Statements that will accompany the Annual Report, should be prepared on IFRS basis and there will be a common guide for the preparation of the financial statements. This is, in practice, an extremely difficult and complex exercise. It is the first time (starting from 2018), financial data of such a large number of SOEs is being consolidated, along with:
 - Requirements for coordination among all the finance functions of 15 direct and other subsidiaries, some of which are group of companies, therefore they also consolidate their own results.
 - A long and continuous effort to identify differences in accounting treatment that have been in place for years on similar issues and initiation of a process of homogenization
 - Resolution, within tight time limits, of the largest possible number of problems encountered by the auditors.
 - Design of new procedures and financial reporting tools; close monitoring and training on the new tools.
 - Significant increase in the speed of preparing and delivering regular financial information so that it is timely and relevant on the basis of best practices.

Coordination Mechanism

Alongside business plan, and within the framework set out in the Rules of Procedure, in 2018, the Coordination Mechanism provisions were gradually implemented, setting out the procedures and deliverables regarding the model of cooperation among the State, HCAP and the State Owned Enterprises on:

- a) The Mandate;
- b) The Statement of Commitments of the State Owned Enterprises - in addition to the Special Obligations described below - with regards to quantitative and qualitative objectives which must be in line with HCAP Strategic Plan;
- c) The Performance Contract, which clearly reflects the mission and the Special Obligations, identifies the financial resources to implement them and specify the role and commitments of the signatories.

In this context, HCAP has taken a number of actions in 2018, which are still ongoing in 2019, in order to implement the Coordination Mechanism.

Main actions that are already under way are the following:

- | | |
|--|--|
| <ul style="list-style-type: none"> ✓ defining the basic framework of cooperation among the parties involved (Committees, State owned Enterprise, HCAP) and technical groups, based on the guidelines provided by the Ministry of Finance; ✓ setting out the timetable for the first phase of the Coordination Mechanism (companies under priority); ✓ initial preparation from HCAP of the agreed deliverables (Mandate, Statement of Commitments, Performance Contracts); ✓ conducting additional meetings of HCAP and the State Owned Enterprises with representatives | <p>from the Ministry of Finance and the General Accounting Office (GAO), as well as representatives from the supervising Ministries</p> <ul style="list-style-type: none"> ✓ conducting a series of meetings with the State Owned Enterprises, including the target setting process for the 2019-2021 horizon, on the gradual formulation of the deliverables, taking into account the sectoral policies, the legislative framework and the statutes of the companies, the special circumstances of the company, the common values for the Services of General Economic Interest (SGEI), but also the Rules of Procedure and the investment policy of HCAP. |
|--|--|

During this period, and through the cooperation of HCAP with SOEs, the deliverables of the Coordination Mechanism for five (5) companies were formulated and submitted to the Ministry of Finance, as provisioned in the timetable for the first phase of implementation, and in particular:

| SOE | Coordination Mechanism Deliverable |
|--|---|
| Corinth Canal Co. S.A. (AEDIK) | <ul style="list-style-type: none"> ▪ Mandate ▪ Statement of Commitments |
| Hellenic Saltworks S.A. | <ul style="list-style-type: none"> ▪ Mandate ▪ Statement of Commitments |
| Thessaloniki International Fair – HELEXPO S.A. (TIF HELEXPO) | <ul style="list-style-type: none"> ▪ Mandate ▪ Statement of Commitments |
| Central Market of Thessaloniki S.A. (CMT) | <ul style="list-style-type: none"> ▪ Mandate ▪ Statement of Commitments |
| Central Markets and Fishery Organization S.A. (CMFO S.A.) | <ul style="list-style-type: none"> ▪ Mandate ▪ Statement of Commitments |

In this context, the role of these enterprises remains significant for social and sectoral policy-making, for example through the provision of SGEIs, in line with the European law and the common values and policies of the European Union.

As a result, the Coordination Mechanism will examine - in addition to the company's strategic and operational objectives (KPIs) - the assignment of Special Obligations that are not otherwise regulated in order to agree on the qualitative terms and the company's compensation mechanism for the services offered.

A typical example is Athens Urban Transport Organization S.A. (OASA), whose deliverables are currently under development. It is anticipated that a consultation process will take place with the organization and the relevant Ministries, especially regarding the Performance Contracts which aim to standardize the model of specific obligations and the associated compensation.

Within the Coordination Mechanism's chapter, specific roles are described for the State, HCAP and the respective SOE, along each step of the process. According to the Mechanism, and based on the relevant act of the Ministerial Council (27/2/2019), the State is formally represented by the Government Cabinet, ensuring a unified strategy for State Owned Enterprises. The Government Cabinet is responsible for approving the Mandate and Performance Contracts of each SOE, while being informed on the Statement of Commitments.



HCAP Business Meeting with its subsidiaries focusing on their Investment Plans and alternative sources of finance and financing tools

On May 9th 2019, HCAP organized a business meeting with its subsidiaries (HRADF, ETAD, PPC, EYDAP, EYATH, OASA, STASY, ELTA, ETVA - VIPE, OSY, GAIAOSE, TI HELEXPO, OKAA KATH and HELLENIC SALTWORKS), in which their investment plans were discussed. Furthermore, indicative investment projects were presented, while

executives from the Greek State, international financial institutions (EIB and EBRD), as well as executives of the four major Greek banks discussed about the terms and conditions under which access to different sources of funding is assessed (NSRF, EFSI, multilaterals funding, Infrastructure Fund, bank loans, capital markets) and under different financial structures.

Securing financing, understanding the options and the eligibility criteria, as well as the proper and most suitable design / structure and maturity process of projects, are key factors in investment implementation. These investments are important for both the efficient operation and modernization of public enterprises and for the development and competitiveness of the Greek economy, being a key pillar of the HCAP mission.

The investment spectrum of HCAP subsidiaries by sector was presented in the business meeting, while 4 subsidiaries highlighted selected investment projects of different maturity and size. Subsequently, the European Investment Bank (EIB) and the European Bank provided detailed presentations on available funding sources and alternative (contractual and financing) structures for Reconstruction and Development (EBRD). Lastly, presentations on the options offered by the NSRF program (with references to the next programming period), as well as the specific features and alternatives of utilizing Public-Private Partnerships (PPPs) and long-term concessions.

In addition, discussions were held on available alternative financing instruments, there was an introduction by the EIB of the Infrastructure Fund, presenting the corresponding Community program, which is expected to come into force immediately and is a continuation of the previous successful JESSICA program. Presentations by the four systemic banks followed, regarding Project Finance, real estate and REICs financing, as well as fund raising from capital markets. The four Greek banks presented the specific characteristics, terms and conditions of financing in each of the above areas, while there were questions from the participants stemming from presented examples, which could be of interest.



Digital Transformation – Developing a digital strategy

Greek economy and large State Owned Enterprises face multiple technological challenges and lag behind the European ones; as a result, HCAP has set as a high priority the modernization of technology landscape for its portfolio companies, with the ultimate goal the contribution to the digital convergence of the country, at European levels. HCAP guidelines include international technology trends as well as suggestions of process improvement and simplification. Digital transformation of portfolio companies is a matter of high importance, with priority to issues related to customer / citizen services, process automations, and of course, data integrity.

Following the workshop organized by HCAP with its subsidiaries in February 2019 and going towards to the direction of digital transformation which includes a large and complex action plan that each company should launch, HCAP sets as a key objective in all portfolio companies to develop a Digital Strategy with specific actions and roadmap.

During the second quarter of 2019, HCAP held a series of workshops with the companies' management and their technology heads in order to provide the methodology and guidelines for the design of the digital strategy, better map of their current technological situation, oversee the setup of teams and support the whole project. The whole process of the Digital Strategy Design is ongoing with the first results expected in the near future.



HCAP Strategic Framework for the development of the real estate property of the companies in its portfolio

Within the framework of digital transformation as previously described and during the second half of 2019, HCAP has started implementing specific actions aiming at the identification and the documentation of the real estate property and the infrastructure of its subsidiaries into a Geographical Information System (GIS). The completion of such an undertaking, regardless of its size and the requirement of accessing accurate data, will lead to the optimum use of public resources, as the information system will be used as a tool for applying a single real estate development and exploitation strategy, for the real estate property that the State Owned Enterprises own. This strategy, could eventually surpass the strict boundaries of the HCAP group, since, for cases where this is technically and legally feasible, there could be some interoperability between HCAP's GIS and other peripheral systems, such as the Cadaster and the Asset Registry of the (former) General Secretariat of Public Property. This could result to synergies achievement, both within the HCAP group, and between HCAP's direct and other subsidiaries and the Greek State, leading to multiple benefits.

HCAP has already proceeded with the formulation and the required adaptation of the implementation methodology, according to which, the project splits into specific work packages for which specific scheduling is implemented. In the same time, the basic metadata – related issues have been identified, to be easier for the dataset to be homogenized.

HCAP is working closely with GAIOSE for the implementation of this project, as the company already operates such a system that has implemented internally, thus holding the relevant expertise.



Reporting and data elements framework for HCAP direct & other subsidiaries

The implementation of a target – setting model using KPIs to the subsidiaries is one of the main pillars of HCAP's Business Planning.

Through a common effort with the Structural Reform Support Services of the European Commission and the Ministry of Finance, HCAP takes part in the documentation of the totality of reporting requirements of its' subsidiaries. In more detail, during the second half of 2019 HCAP has coordinated the effort of data elements gathering that its' subsidiaries are required to report to various stakeholders, as those stem through their legal & regulatory framework (for instance reports to the General Accounting Office –GAO, to the supervising Ministries, etc). Furthermore, all the internal reports were documented, for the direct and other subsidiaries that HCAP is the sole or the majority shareholder, excluding the listed companies for reasons of Corporate Governance.

The target – setting model that HCAP already applies, is added on top of the information described in the previous paragraph.

The documentation ends up on a data element level, describing what exactly is being measured. Furthermore, each data element, is accompanied by the information about whether it can be produced through, or outside of the current information systems infrastructure, and all the relevant dimensions that each data element should be analyzed upon. This documentation leads to HCAP having received a deliverable that could stand as

the initial deliverable of a Business Intelligence or Budgeting & Forecasting Information Technology project (the decision between the two will be taken on a latter, more mature phase of the project).

This is the first time that such a detailed documentation on an SOE level takes place, and it clearly depicts the reporting obligations that the SOEs have towards the Public Administration (resulting in problems identification due to multiple laws) but also towards HCAP as their shareholder.

After the completion of the documentation, HCAP will examine the feasibility of its transformation into a Management Information System, as already noted.



Participation of HCAP in the “Brain Regain” initiative

Many highly-qualified Greeks left the country over the past years due to the economic crisis and the lack of opportunities to advance their careers at home. This has become one of the great challenges now faced by the Greek economy and society at large.

Hellenic Corporation of Assets and Participations (HCAP) has recognised the impact of such “brain drain” on the outlook and competitiveness of Greek companies, and has been taking specific action including launching initiatives in order to reverse the brain drain and attract successful Greek professionals back home.

There has been progress to date, including the significant number of professionals returning to Greece to take up executive /managerial positions in HCAP, and also, through the appointment of board members to HCAP subsidiaries. Such professionals were actively approached and assured that progress, high level professionalism and fairness exist in Greece and that their return can contribute to economic growth and prosperity.

To this end, HCAP has also now joined an alliance of companies supporting the “Brain Regain” initiative. This initiative is backed by some of the largest Greek corporations active in critical sectors of the economy i.e. financial services, industry, tourism, construction, technology etc. and aims to establish conditions that will facilitate the repatriation of Greeks working abroad. HCAP actively supports this initiative, by allocating some of its top executives to act as mentors. “Brain Regain” mentors offer their services on a voluntary basis and will provide guidance to the Greeks working abroad who have expressed interest in being part of the initiative.



Work Groups

Within the framework of pursuing its strategic goals, HCAP has created work groups that are assigned to explore the below mentioned areas of interest:



Corporate Social Responsibility

The work group is assigned with the analysis of important factors related to propelling a new corporate culture, while at the same time, emphasis is given on issues like the company's environmental footprint, society, placing the citizen to the epicenter of the company's operations, voluntarism, social offering, human resources development, innovation and digital transformation.



Consultation with Stakeholders

HCAP's goal is to prove the extroversion of its operations in practice, by creating vivid communication channels with the stakeholders, for issues that fall into HCAP's jurisdiction and the General Interest definition, so as to adopt practices and the stakeholder's approach in a series of matters.



HCAP holds a company portfolio with great population coverage and a great variety of operations. Therefore, is investigating ways of partnership with training institutions and organizations, contributing in such a way to the formulation of a corporate culture of the future managers of the Greek economy.



Mentorship

The work group aims at promoting equal opportunities, inclusion, as well as gender parity among the companies in HCAP portfolio, through a number of ways. Within this framework, the company is investigating relevant best practices both from the public & private sectors, both in Greece and internationally. The primary goal is to create an action plan which would promote and accelerate equal professional opportunities.

Equal Opportunities / Diversity



The formulation of the abovementioned work groups aims to the adoption of relevant practices by both HCAP and the companies in its portfolio. Towards that direction, and given the corporate governance restrictions and capabilities, HCAP aims to the creation of specific "expectation documents" to be handed to the boards of its subsidiaries. These documents will be communicated shortly.

B. Company Financial Information (for Q2 2019)

B. Financial Information

The Hellenic Corporation of Assets and Participations S.A. (“HCAP” or the “Corporation”) acquired legal personality upon its registration to General Commercial Registry (GEMI) on 25.10.2016. The Board of Directors of the Corporation constituted into a body on 16.02.2017 and therefore 2017 was the starting year of operations, organization of its structure and its gradual staffing.

As a holding company, HCAP’s revenues, in the separate financial statements, derive mainly from dividends, interest and other capital gains/ income from the assets under management, while its expenses mainly relate to administrative expenses for its operation and fulfillment of its mission. As far as revenues from dividends are concerned, it should be noted that, due to the nature of the relevant revenue stream for HCAP, there is:

- Significant variance in the operating results and the revenues between the quarters within the same financial year: The dividend income along with the operating results of the company present significant variations within the quarters of each financial year as they depend on the timing of the subsidiaries’ General Assembly meetings in which the dividends are approved. The General Assemblies usually take place during the 2nd and 3rd quarter of each year.
- Time lag between the profitability of the companies included in HCAP’s portfolio and the timing of the dividend collection: There is a time lag between the period that the subsidiaries create the profitability and the period that the parent company collects the dividends (e.g. profits of each financial year are distributed in the next financial year).
- Existing restrictions on the distribution of subsidiaries’ and associates’ annual profits: Certain subsidiaries or associates might create profits which are however for various reasons not distributable; i.e. the existence of cumulative losses from previous years, restrictions due to other obligations (due to investment plans etc).

Regarding the results of the 2nd quarter of 2019:

- The dividend income is recognized as of the date of approval by the General Assembly of the companies comprising HCAP’s portfolio, which usually takes place in the 2nd or 3rd quarter. Consequently, the Company presents strong profitability in the 2nd quarter, while in 1st, 3rd and 4th the results usually include mainly operating expenses along with small income.
- The variation of the result of the 1st quarter of 2019 (and six month period of 2019) in comparison with the respective period in 2018, is mainly due to evolution of the corporate structure and company activities. Since 1.1.2018 (and subsequently as of 01.07.2018 when the Greek state’s participation in GAIAOSE was transferred to HCAP) there was a significant change in the number of companies in HCAP’s portfolio (from two companies to fifteen)³. This increase created a demand for changes in corporate structure and staffing, a process that was in progress during 2018 and was almost completed during the first six-month period of 2019.
- The increase in dividend income in the current quarter has occurred mainly due to the dividend of € 21.2 million distributed for the first time in over a decade by ETAD, while significant dividend income was also recorded from the shareholding participations and /or rights being held by HCAP in EYDAP, EYATH and OTE. In addition, dividend income is also expected to be recognized from other companies in the HCAP portfolio, the respective General Assemblies of which shall be held in the second six-month period of 2019.

³ Excluding HFSF

This respective dividend income is expected to be higher than in 2018. Additionally, during the first six-month period of 2019 there were increased costs for the relocation of the Company to new offices.

B.1 Basis of the quarterly financial report

The interim condensed financial information and financial data of this section are presented according to the Company's books and records under the accrual basis of accounting. The amounts presented under the accrual basis are in compliance with International Accounting Standard 34 «Interim Financial Reporting», without the presentation of all the information and disclosures required by IAS 34 for the interim financial information.

Pursuant to article 195 Law 4389/2016, the Board of Directors prepares quarterly reports on the activities and the financial statements of the Company.

Regarding the other elements of this financial report, the significant policies are presented below:

1. The depreciation rates of fixed assets are in accordance with the useful life of each respective asset.
2. Dividend income is recognized in the period during which the right to receive payment is established, i.e. the period when the General Assembly of each subsidiary takes place.

The dividend income is presented in the statement of total comprehensive income as operating income, as it relates to the Company's main source of income. With the same rationale, in the cash flow statement the cash inflows from dividends are presented as operating activities.

3. Expenses are recognized within the period that the respective liability occurred.
4. Interest income is collected every six months and, as such, the Company's interest income for the respective quarter is the estimate of the amount of accrued interest relating to this period.
5. To The Company's share capital is by Law €40 mln of which €10 mln is already paid. The remaining €30 mln is presented as "Unpaid Share Capital" within Equity at the Statement of Financial Position and according to art. 12 par. 2a of C. L.2190/1920, the period of being unpaid should not exceed five years.
6. Regarding the Direct subsidiaries that have been transferred from the Greek State directly to the Company with no consideration (as per Law 4389/2016), they have been recognized in the financial statements at their cost which is nil and are presented at the symbolic value of one (1) euro per subsidiary.
7. Participations in "Other Subsidiaries", as well as other assets or liabilities transferred to HCAP from the Greek State with no consideration as of 01.01.2018 and 01.07.2018, have been recognized in the financial statements at their cost which is nil and are presented at the symbolic value of one (1) euro per Other Subsidiary, except for "Folli Follie".

The participations transferred from the Greek State directly to the Company with no consideration as per Law 4389/2016, relate to the "Direct Subsidiaries" (which have been transferred in 2016) and the "Other Subsidiaries" (which were transferred as of January 1st, 2018, except for GAIAOSE which was transferred as of July 1st, 2018) and are analyzed as follows:

A. “Direct Subsidiaries” –participation %



100%

100%

100%

B. “Other Subsidiaries” (according to law 4389/2016) which were transferred to HCAP from 01.01.2018 or 01.07.2018

Ownership Percentage

| | | |
|--|-------------|--|
| Athens Urban Transportation Organization S.A. (OASA) | 100% | |
| GAIAOSE S.A. | 100% | |
| Thessaloniki International Fair – HELEXPO S.A. (TIF-HELEXPO) | 100% | |
| Central Markets and Fisheries Organization S.A. (OKAA) | 100% | |
| Thessaloniki Central Market S.A. (CMT) | 100% | |
| Corinth Canal Co. S.A. (AEDIK) | 100% | |
| Hellenic Post S.A. (ELTA) | 90% | |
| Hellenic Saltworks S.A. | 55.19% | |
| Athens Water Supply and Sewerage Company S.A. (EYDAP) | 50%+1 share | |
| Thessaloniki Water Supply and Sewerage Company S.A. (EYATH) | 50%+1 share | |
| ETVA – Industrial Areas S.A. | 35% | |
| Public Power Corporation S.A. (PPC) | 34.12% | |
| Athens International Airport S.A. | 25% | |
| Folli Follie A.E | 0.96% | |

* **NOTE:** HCAP has very limited powers on HFSF, as the decisions for the accomplishment of its mission and purpose are made exclusively by the relevant bodies of HFSF.

In addition:

a) according to article 350 of Law 4512/2018 the Greek State's right to receive dividend due to its participation in the share capital of the Societe Anonyme under the name "Hellenic Telecommunications Organization SA" (OTE SA) is transferred to HCAP. The Greek State reserves the right to vote in the General Assembly of OTE for its shares,

b) pursuant to article 113 of Law 4549/2018, from 01.07.2018 the participation of the Greek State in GAIAOSE S.A. was transferred to the Company and

c) pursuant to the provisions of Law 4549/2018, until full repayment of the loan granted under the Financial Facility Agreement and its subsequent amendments, the Company became a guarantor with commitments as defined in the said agreement.

The Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Cash Flow Statement as at June 30, 2019 and for the periods 01.04.2019 - 30.06.2019 and 01.01.2019 - 30.06.2019 are presented in the following paragraphs B.1.1, B.1.2, B.1.3 and B.1.4.

B.1.1 Statement of total comprehensive income for the period 01.04.2019 - 30.06.2019 and Six-month period 01.01.2019-30.06.2019

| Statement of total comprehensive income (amounts in Euro) | 01.04.2019 - 30.06.2019 | 01.04.2018* - 30.06.2018 | 01.01.2019- 30.06.2019 | 01.01.2018*- 30.06.2018 |
|--|----------------------------|-----------------------------|---------------------------|----------------------------|
| Dividend income (note 1) | 40,321,338 | 16,255,995 | 40,321,338 | 16,255,995 |
| Payroll and management cost | (977,030) | (618,879) | (1,776,277) | (1,208,133) |
| Third party fees | (321,668) | (325,844) | (534,515) | (531,866) |
| Other operating expenses | (36,290) | (101,896) | (223,830) | (198,876) |
| Result before interest, tax, depreciation and amortization (EBITDA) | 38,986,350 | 15,209,376 | 37,786,716 | 14,317,120 |
| Depreciation and amortization | (94,574) | (3,253) | (101,479) | (6,357) |
| Result before interest and tax | 38,891,776 | 15,206,123 | 37,685,237 | 14,310,763 |
| Finance income | 95,293 | 47,993 | 247,704 | 102,010 |
| Finance cost | (26,551) | (1,414) | (28,227) | (2,657) |
| Profit before tax (note 2) | 38,960,518 | 15,252,702 | 37,904,714 | 14,410,116 |
| Income Tax | - | - | - | - |
| Net profits | 38,960,518 | 15,252,702 | 37,904,714 | 14,410,116 |
| Actuarial gains/ (losses) | - | - | - | - |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | 38,960,518 | 15,252,702 | 37,904,714 | 14,410,116 |

* IFRS 16 was adopted with the cumulative impact recognised in retained earnings without restating the 2018 comparatives.

Notes on the results of 2nd quarter of 2019:

Note 1-Dividend income: The main revenue stream of the Company relates to dividends, which in majority are distributed by the companies comprising HCAP's portfolio during the 2nd quarter. As a consequence, the 2nd quarter is showing high and strong profitability, while the 1st, 3rd and 4th quarters are mainly showing operating expenses and zero or low income.

As such, in the 2nd quarter of 2019, the Company's net profit amounted to € 38,960,518. Furthermore, revenues and profits for 2nd quarter of 2019 are approximately 2,5 times higher than the respective amount of the 2nd quarter of 2018, as by following appropriate actions, the direct subsidiary of ETAD SA distributed dividend of € 21.2 million within this quarter. The Company is also expected to recognize dividend income from other subsidiaries the 2nd six-month period of 2019. Total dividend income for the 2nd quarter of 2019 is analysed as follows:

| Dividend income 2019 | Amount | Date of Dividend collection |
|----------------------|-------------------|-----------------------------|
| ETAD | 21,188,468 | 2/7/2019 |
| EYDAP | 14,377,500 | 4/7/2019 |
| OTE | 2,468,470 | 10/7/2019 & 26/7/2019 |
| EYATH | 2,286,900 | 4/7/2019 |
| Total | 40,321,338 | |

It is noted that the Company has not recognised any income for the amount of € 101,164 which the was withheld from a dividend in the context of its offsetting with the Greek State, as it has been estimated that the relevant IFRS criteria are not met yet.

Note 2-expenses: The operating expenses of 2nd quarters of 2019 and 2018 are not comparable, as the Company's structure and operations have been significantly amended. During the first six months of 2018, the Company was understaffed since its structure up until the end of 2017 was based on the supervision of three direct subsidiaries, including EDIS in which the shareholdings of the Greek state in public companies would be originally transferred. Finally, the investments in public entities were transferred directly to HCAP as other subsidiaries from 01.01.2018. In light of those changes, the organizational structure and staffing of the company evolved in the 2nd quarter of 2019 and in comparison with the first year of operation, according with the current responsibilities.

The most significant variances between the 2nd quarter of 2019 and 2018 (and consequently 1st six month period of 2019 and 2018) are attributable to the following facts.

Payroll and Management cost: includes costs for the employees, the Supervisory Board, the Board of Directors and the Board of Directors' Committees, as well as other related expenses.

As described in note 2 above, the increase in these costs is due to the significantly different organizational structure and operations of HCAP between those two periods. With Law 4512/2018, it was decided that EDIS (in which the Other Subsidiaries would be transferred), would not be established and as such HCAP would undertake its role. Consequently, the Company during 2018 initiated the organizational structure process for the roles and duties (which was expected to be covered by EDIS until 31.12.2017).

Other operating expenses: mainly include utility costs, various taxes and other expenses. The increase relates to the expenditure for the relocation of the company to its new and single and professional space, as in December 2018 HCAP utilized transitionally offices until the move in the permanent offices during December 2018-January 2019.

B.1.2 Statement of Financial Position as at 30.06.2019

| Statement of Financial Position (amounts in Euro) | 30.06.2019 | 31.12.2018* |
|---|-------------------|-------------------|
| ASSETS | | |
| Investment in Direct Subsidiaries (note 1) | 3 | 3 |
| Investment in Other Subsidiaries (note 1) | 13 | 13 |
| Tangible, intangible and right-of-use assets (note 2) | 1,235,302 | 163,779 |
| Other non-current assets | 33,045 | 33,045 |
| Total non-current assets | 1,268,363 | 196,840 |
| Receivables (note 3) | 40,898,847 | 555,834 |
| Cash and cash equivalents (note 3) | 17,116,917 | 19,640,841 |
| Other current assets (note 4) | 340,651 | 516,358 |
| Total current assets | 58,356,415 | 20,713,033 |
| TOTAL ASSETS | 59,624,778 | 20,909,873 |
| LIABILITIES | | |
| Provision for staff leaving indemnities | 55,075 | 40,448 |
| Long term lease liabilities (note 2) | 842,252 | - |
| Total non-current liabilities an Provisions | 897,327 | 40,448 |
| Trade and other payables (note 5) | 967,105 | 1,159,760 |
| Short term lease liabilities (note 2) | 145,967 | - |
| Total current liabilities | 1,113,072 | 1,159,760 |
| TOTAL LIABILITIES | 2,010,399 | 1,200,208 |
| EQUITY | | |
| Authorized share capital | 40,000,000 | 40,000,000 |
| Less: Unpaid share capital | (30,000,000) | (30,000,000) |
| Paid share capital | 10,000,000 | 10,000,000 |
| Other reserves | (2,854) | (2,854) |
| Retained earnings | 47,617,233 | 9,712,519 |
| Total Equity | 57,614,379 | 19,709,665 |
| TOTAL EQUITY AND LIABILITIES | 59,624,778 | 20,909,873 |

* IFRS 16 was adopted with the cumulative impact recognised in retained earnings without restating the 2018 comparatives.

Notes:

1 Investments in the “Direct Subsidiaries” ETAD (100%), HRADF (100%) and HFSF (100%) and “Other Subsidiaries” were transferred to the Company with no consideration as per Law 4389/2016 as currently amended and in force. The Company has selected to recognize in the financial statements the Investments in Direct Subsidiaries and Other Subsidiaries at cost (which is nil) and to present them at the symbolic value of one (1) euro per subsidiary

2 Following the first adoption of IFRS 16 on 01.01.2019, the Company recognized the rights-of-use assets and leases liabilities, with the exception of the standard for lease contracts with a residual duration of less

than twelve months at the date of initial application, for contracts for which the leased asset is of small value, as well as for short-term contracts. The recognized leases relate mainly to professional lease agreement in the context of the Company's relocation to new offices. The impact of adoption of IFRS 16 on 1 January 2019 was an increase in tangible fixed assets and leases liabilities by € 1,058,587.

3 The Company's cash and cash equivalents as at 30.06.2019 amounted to € 17.1 mil. as dividends recognized as income were recognized during the 2nd quarter of 2019, but were subsequently collected in July 2019, resulting in cash equivalent as at 31.07.2019 been increased to €57.3 mln. In addition, the Receivables relate mainly to: (a) the total dividends receivable of € 40.3 mln, from companies whose General Assemblies took place in Q2 2019 and the collection of which took place within of July (as mentioned above in section B.1.1 note 1 in the results of the company) and b) dividends income of a total of € 555,321 recognized in 2018 when the GA of two subsidiaries was held and the collection of which was not completed until 30.06.2019 and consequently they appear as a receivable at the reporting date.

4 This amount relates to accrued interest income as at period end as well as prepaid expenses.

5 Mainly includes trade payables, accrued expenses, withheld personnel tax and payables for social security contributions.

B.1.3 Statement of Changes in Equity for the 01.01.2019 - 30.06.2019

| Statement of changes in equity (amounts in Euro) | Share Capital | Other Reserves | Retained earnings | Total |
|---|-------------------|----------------|--------------------|--------------------|
| As of 01.01.2018 | 10,000,000 | 3 | (3,347,837) | 6,652,166 |
| Net results of 2 nd quarter of 2018 | - | - | (842,586) | (842,586) |
| Total comprehensive income 2nd quarter 2018 | - | - | (842,586) | (842,586) |
| Transfer of subsidiaries to HCAP with no consideration | | 12 | | 12 |
| As of 31.03.2018 | 10,000,000 | 15 | (4,190,423) | 5,809,592 |
| Net results of 2 nd quarter of 2018 | - | - | 15,252,702 | 15,252,702 |
| Total comprehensive income | - | - | 15,252,702 | 15,252,702 |
| As of 30.06.2018* | 10,000,000 | 15 | 11,062,279 | 21,062,294 |
| As of 01.01.2019 | 10,000,000 | (2,854) | 9,712,519 | 19,709,665 |
| Net results of 1 st quarter of 2019 | - | - | (1,055,804) | (1,055,804) |
| Total comprehensive income | - | - | (1,055,804) | (1,055,804) |
| As of 31.03.2019 | 10,000,000 | (2,854) | 8,656,715 | 18,653,861 |
| Net results of 2 nd quarter of 2019 | - | - | 38,960,518 | 38,960,518 |
| Total comprehensive income | - | - | 38,960,518 | 38,960,518 |
| As of 30.06.2019 | 10,000,000 | (2,854) | 47,617,233 | 57,614,379 |

* IFRS 16 was adopted with the cumulative impact recognised in retained earnings without restating the 2018 comparatives.

B.1.4 Cash flow statement for the period 01.04.2019 - 30.06.2019 and Six month period 01.01.2019-30.06.2019

| Cash flow statement (amounts in Euro) | 01.04.2019- 30.06.2019 | 01.04.2018*- 30.06.2018 | 01.01.2019- 30.06.2019 | 01.01.2018*- 30.06.2018 |
|---|---------------------------|----------------------------|---------------------------|----------------------------|
| Profits before tax | 38,960,518 | 15,252,702 | 37,904,714 | 14,410,116 |
| <u>Adjustments for:</u> | | | | |
| Depreciation and amortization | 94,574 | 3,253 | 101,479 | 6,357 |
| Provisions | 76,864 | 63,639 | 155,354 | 145,622 |
| Loss from disposal of assets | - | - | 438 | - |
| Finance income | (95,293) | (47,993) | (247,704) | (102,010) |
| Finance cost | 26,551 | 1,414 | 28,227 | 2,657 |
| <u>Changes in working capital:</u> | | | | |
| (Increase)/ Decrease in receivables (note 1) | (40,383,563) | (5,664,016) | (40,483,740) | (5,745,999) |
| (Increase)/ Decrease in Other current assets | 49,288 | 41,389 | 98,286 | 89,145 |
| Increase / (Decrease) in liabilities | 25,497 | 51,160 | (192,655) | (365,717) |
| Net cash inflow/ (outflow) from operating activities | (1,245,564) | 9,701,548 | (2,635,601) | 8,440,171 |
| Purchase of property, plant and equipment | (4,408) | (432) | (132,235) | (4,916) |
| Collection from disposals of assets | - | - | 17,383 | - |
| Interest received | - | - | 325,124 | 134,226 |
| Net cash inflow/ (outflow) from investing activities | (4,408) | (432) | 210,272 | 129,310 |
| Interest and bank charges paid | (26,551) | (1,413) | (28,227) | (2,657) |
| Payments of leasing liabilities | (35,390) | - | (70,368) | - |
| Net cash inflow/ (outflow) from financing activities | (61,941) | (1,413) | (98,595) | (2,657) |
| Net cash inflow/ (outflow) for the period (note 2) | (1,311,913) | 9,699,703 | (2,523,924) | 8,566,824 |
| Cash at the beginning of the period | 18,428,830 | 6,203,055 | 19,640,841 | 7,335,934 |
| Cash at the period end | 17,116,917 | 15,902,758 | 17,116,917 | 15,902,758 |

* IFRS 16 has been adopted with the cumulative impact recognised in retained earnings without restating the 2018 comparatives.

Note 1: The significant variance in receivables relates to the significant increase at the end of the 2nd quarter of 2019 as dividend distributions generally take place at the end of Q2 and are repaid at the beginning of Q3 quarter. Consequently, this amount appears to be significantly increased by the amount of dividends outstanding as at 30.06 each year.

Note 2: The net variance in cash in the Q2 quarter 2019 is due to a combination of two factors, the fact that dividend receipt took place in July 2019 (immediately after the 2nd quarter), while the 2nd quarter had payments that were incurred as part of the Company's operations to cover its expenses and repay its liabilities for the previous period. In the 2nd quarter of 2018, net cash variance is positive because part of the dividends was collected within the quarter.

Due to the timing of the dividend income, the largest net cash flows for the company occur in the 3rd quarter, which has low dividend income (which are approved in 2nd quarter by General Assemblies), but very high collections as companies pay dividends approved during 2nd quarter.