



# THIRD QUARTELY REPORT FOR 2021

on Actions and Company Financial  
Statements

01.07.2021 - 30.09.2021

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## **A. Hellenic Corporation of Assets and Participations**

## Summary Report Q3 2021

HCAP's portfolio includes a wide range of public enterprises, listed and unlisted, that are active in many different strategic sectors of the economy. These companies have developed ambitious investment plans. As such, HCAP is now more active in supporting its subsidiaries so that they can offer upgraded services to citizens through a more customer-centered philosophy, improve their financial position and implement their investment plans.

**At the period of third quarter of 2021 but also until the date of the approval of this report, significant developments for HCAP at the level of parent company, subsidiaries and participations took place.** In this context, significant progress has been made on the following issues:



**PPC:** The share capital increase was successfully completed by major investors, mainly international funds, with multiple oversubscription in the maximum range of the offering price, at €9 per share, total capital amounting to €1.35 billion, and the Greek State retaining the statutory minority with 34.12%. Following the share capital increase, PPC was included in the MSCI index, placing it among the most important listed Greek companies. In addition, significant funds are expected to be injected into the company from the sale of 49% of HEDNO at a net price of approximately €1.3 billion, and from the issuance of bonds with sustainability clauses, where the company raised over €1.2 billion. With its strong capital position, PPC is being transformed into an environmentally sustainable and modern utility through a fully revamped strategy and an investment program of €9.3 billion, with a target of achieving RES capacity of 9,5 GW and recurring EBITDA at €1.7 billion by 2026. In this context, it entered into partnership with RWE Renewables GmbH, through PPC Renewables, for the joint construction and contribution of photovoltaic plants with a capacity of up to 2 GW. It should also be noted that part of PPC's strategy is the development and automation of the distribution network through investments of approximately €1.9 billion, and expansion into the telecommunications sector through an approximately €680 million investment in development of fibre optic infrastructure from 2022 to 2026.



**ATHENS WATER SUPPLY AND SEWERAGE S.A. (EYDAP):** During the third quarter of 2021, EYDAP continued the implementation of its major investment program and made significant progress in the negotiations with the Greek State, with the aim of signing, by the end of the year, the new 20-year contract for the provision of water supply/sewerage services. Within the framework of corporate governance, the Directorate General for Transformation was established and staffed, with the aim of preparing, updating and implementing the strategic transformation of EYDAP and ensuring the implementation of programs and projects in alignment with the Company's strategic goals. Important projects have been under way since July 2021, including, among others, the formulation of the Smart Meters strategy and the Strategy for Reduction of EYDAP S.A.'s Energy Footprint. It is noteworthy that the company joined the Athens Stock Exchange's new Athex ESG index in August 2021, and it is the first public company to incorporate SASB standards into its Sustainability Report. At the same time, in September 2021, it proceeded with a return of capital to the shareholders totaling € 24.5 mln, in addition to the dividend distribution of € 25.6 mln that took place in June 2021.



**THESSALONIKI WATER SUPPLY & SEWERAGE CO. (EYATH):** During the quarter under review, investments with a green footprint were made and the company continued its collaboration with Aristotle University of Thessaloniki (AUTH) on detecting the coronavirus in waste water. The expansion of the Aliakmonas water refinery and the ongoing repair of the Aravissos water pipeline are two major projects that were launched during this period. In addition, major projects in the sewerage sector were launched, the most important ones being the energy and operational upgrade of the Thessaloniki Wastewater Treatment Facility (EELTH), the large biological treatment facility of Thessaloniki, and the completion of the sewerage network at node K16. The company's objectives for a sustainable business model – through reduction of its water and carbon footprints by 20% and 50%, respectively, by 2030 – remain in place and are binding for the Company.



**23 REGIONAL AIRPORTS:** The tender process for selection of financial, technical and legal advisors for the concession of Kalamata Airport was completed with the selection (from among six candidates) of the Deloitte – FCNC Financial Advisors – Doxiadis Law Firm – Your Legal Partners – DVLaw consortium. The advisors undertook to take stock of the current situation at Kalamon Airport, identify and assess investment needs in combination with the alternative contractual and financing structures, and design the tender process for the award of a long-term concession agreement. In addition, the process of updating the study for the development of the country's 22 regional airports – which will be submitted to HCAP – is expected to be completed late December 2021 -early January 2022.



**HRADF:** A number of significant projects were launched and completed by HRADF during the period under review. More specifically, the transfer by HRADF of 16% of the shares of Piraeus Port Authority (PPA) S.A. to COSCO SHIPPING (Hong Kong) Co., Limited, which paid HRADF €88 million for 16% of the shares of PPA, plus accrued interest of €12 million and a letter of guarantee in the amount of €29 million. The GEK TERNA S.A. – EGIS consortium submitted an improved financial offer for the concession of the Egnatia Odos motorway for a period of 35 years. At €1,496,100,000, it is €100,000 higher than the initial offer, and it is estimated that the tender will be completed during the second half of 2022. In addition, for the joint sale with Hellenic Petroleum of 100% of DEPA Infrastructure S.A., ITALGAS SpA submitted an improved financial offer of €733 million. It was considered very satisfactory, and the tender file has been submitted to the Court of Audit for pre-contractual audit. Moreover, four interested parties submitted offers to develop the former U.S. base in Gournes, Heraklion, Crete, with REDS S.A. selected via the e-Auction process.



**GAIAOSE:** Completed the tender processes for the award of the project for restoration of the listed Pyrgos Railway Station, in the context of protection and promotion of historical heritage. GAIAOSE has also initiated procedures for commercial valuation of selected strategic properties, with the aim of completing the procedures by the end of 2021.



**TIF:** TIF successfully completed the 85th Thessaloniki International Fair, implementing Covid Pass protocols for the first European Covid Free General Fair since the outbreak of the pandemic. At the same time, the first "Beyond 4.0" digital innovation and technology exhibition was inaugurated at its International Exhibition Centre in Thessaloniki. Thessaloniki International Fair aims to develop this exhibition into a major international "meeting" of

technology organizations and companies and to contribute to the country's digital transition, starting in Thessaloniki. The redevelopment project is proceeding, with the team of Sauerbruch Hutton (Germany), Gustafson Porter + Bowman (Britain) and Elena Stavropoulou (Greece), for the technical maturation of the proposal, with the aim of starting the works for the new exhibition center of Thessaloniki following the general fair of 2023, with completion slated for 2026, on the 100th anniversary of the Thessaloniki International Fair.



**ETAD:** The gradual reopening of the company's business units continued with the Diros Caves and Nigrita thermal springs. Following the catastrophic fires in August, HPPC lent its assistance in transporting horses from the equestrian clubs in the greater Varympompi area to the Olympic Equestrian Centre in Markopoulo. It also offered access to safe accommodation at the privately owned facilities of the Edipsos Thermal Springs and, at the Schinias Olympic Rowing Centre, hosted more than 200 children from camps that were evacuated in fire-stricken areas. The company announced a new open e-auction for the lease of Kourouta Camping in Ileia.



**CMT:** A significant grant was secured through its selection by Green Fund 1 to support the "SOCIAL PLATE" initiative. The grant, totaling €310,000, concerns actions for circular economy and the prevention of food waste, in the context of a project for the implementation of circular economy in Greece. From the commencement of the program in April 2018 through October 2021, approximately 70% of the 780 tonnes of fruit and vegetables collected was rescued and made available to 70 beneficiary organizations.



**CMFO:** The Volos Fish Wharf was inaugurated and, through its operation, is expected to create new jobs, contribute to the development of fish trade in Central Greece and the neighboring prefectures, and benefit the local community by providing better services and prices to consumers. In addition, at the Central Market of Athens in Rentis, CMFO, in collaboration with the NGO Food On, is organizing social dining sessions aimed at giving beneficiaries of Food On the opportunity to socialize with different social groups.



**HELLENIC POST (ELTA):** ELTA was awarded the "Coup de Coeur 2021" by Post Europe for its "Stop Bullying" social responsibility initiative, while the implementation of its 5-year transformation plan is under way, as are actions to secure the necessary technical support for the implementation of the company's business transformation.



**ATHENS PUBLIC TRANSPORT ORGANIZATION (OASA):** The number of vehicles in service during peak hours increased by 29% and runs increased by 19% following the implementation of measures to improve the level of service during the pandemic. The signing of an agreement on the installation of equipment for provision of a mobile telephony signal at all stations and inside metro cars is in the completion stage, as is the signing of the agreement with GRNET for the incorporation Ath.ENA card fares into the new digital student cards. Athens Public Transport Organization, with HCAP's support, initiated the preparation of actions for improving services for persons with disabilities. These actions include installation of ramps at 156 bus stops and training of employees of the Group's companies in matters of transport services for PWDs and facilitation of PWDs in vehicles and at stations.



**AEDIK:** The final study for repairs to the banks of the Canal was delivered to the Ministry of Infrastructure by the design contractor. The study provides for a) works for reducing the load on the canals banks and cleaning of the channel by May 2022 so that the canal can open during the summer months and b) works for stabilization of the banks, which will start in autumn 2022. In addition, in September, five studies were commissioned by HCAP to explore the company's development prospects. Finally, a program agreement was signed with the Peloponnese Region and the Municipality of Loutraki – Perachora & Agioi Theodoroi for the fencing project along the Canal, in order to enhance security.

## Initiatives and partnerships:

**Memorandum of Cooperation between HCAP and the NTA:** HCAP and the National Transparency Authority (NTA) signed a Memorandum of Cooperation against Corruption, providing for a number of actions and initiatives. The Memorandum lays the foundations for multifaceted cooperation, the main goal of which is exchange of best proposals, practices and know-how in the sectors of business ethics, integrity and internal audit. HCAP-NTA cooperation will also focus on development of new policies, evaluation and implementation of existing practices and tools for enhancing transparency and accountability, and development of methodology for assessing risks of corruption and fraud, culminating in the appropriate plan for managing these risks. The two organizations agreed to jointly host training seminars on business ethics and internal audit issues. It was also decided that NTA personnel will be given access to HCAP's digital training platform, which provides integrated programs on business ethics.

**Launch of HCAP Open Data Hub:** HCAP is creating an innovative public-enterprise Open Data Hub as part of its central strategy for production, management and distribution of Open Data. In a significant move towards enhancing transparency and innovation, it will provide access to select open data sets produced by the operation of its subsidiaries. These are mainly open data in the thematic areas water supply and sewerage, transport and post, as well as food distribution, property management and other sectors in which it is active.

**Organization of events by the Internal Audit Unit:** HCAP's Internal Audit Unit organized an online meeting with the Internal Auditors of subsidiaries to provide consultancy support. The meeting was an opportunity to discuss the operation of Internal Audit Units and to provide answers and clarifications regarding the procedures that have been forwarded to the subsidiaries by the HCAP Internal Audit Unit.

## Sustainable Development Initiatives and Strategy:

The development of a comprehensive strategy and operational framework for sustainable development (ESG) for the parent company, as well as the tools for their incorporation into the subsidiaries, is already under way. During the reporting period,

- ✓ the first FIT FOR ESG BOARDS seminars – attended by members of the boards of CMFO, CMT and Hellenic Saltworks – were held in collaboration with HCGC. Training seminars are also being organized for another four (4) BoDs on the importance of ESG.
- ✓ HCAP, in collaboration with its subsidiary Athens Public Transport Organization, launched a holistic program for improving the services offered to Persons with Disabilities. The program includes a series of training courses and experiential seminars with employees from Athens

Public Transport (drivers, station managers and executives who plan transport work), after which the implementation of mild interventions in infrastructure will begin, improving the daily lives of citizens with disabilities. HCAP's objective is to give real meaning to the words equality, accessibility, and inclusion, offering a higher level of service.

- ✓ In the framework its sustainability strategy, HCAP participates in the CMFO program for the organization of social meals, aiming at enhancing actions against the exclusion of vulnerable social groups and in favor of sustainable food and water management.



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

## A.1. Purpose, Institutional Framework and Structure of the Corporation

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



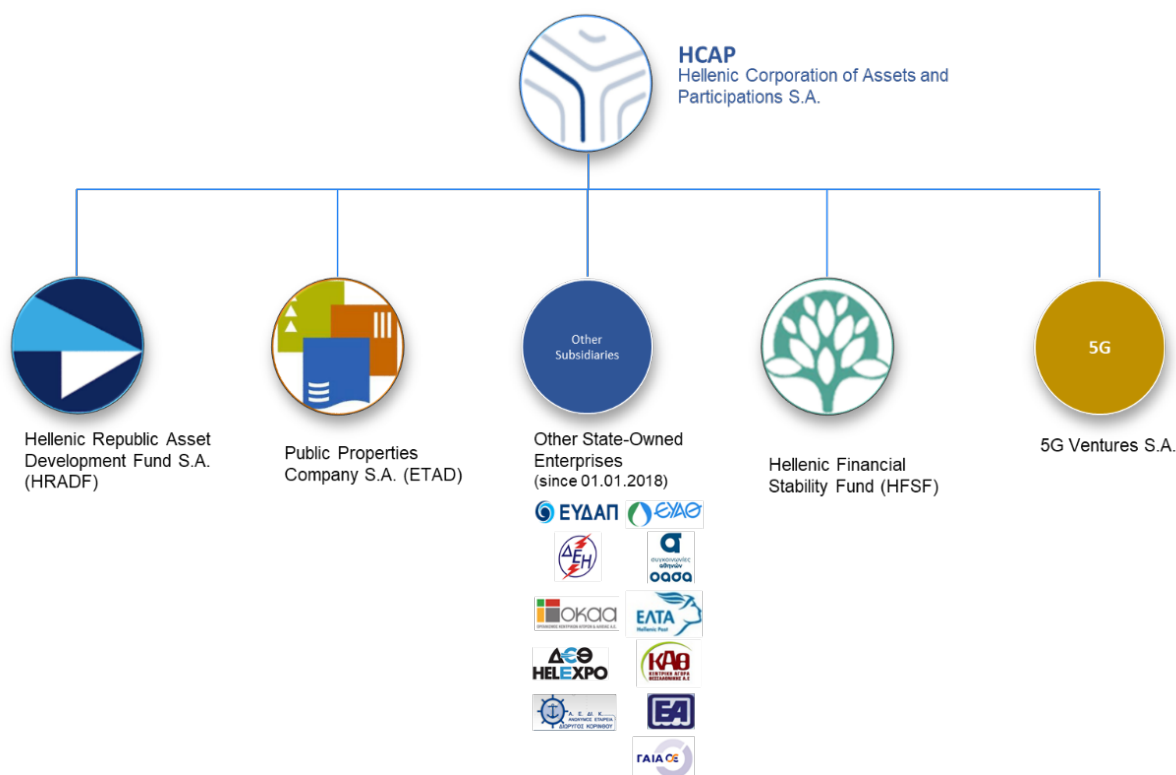
*The Hellenic Corporation of Assets and Participations **operates in the public interest**, in accordance with the rules of the private economy. It is set up to serve a specific public purpose. For the fulfilment of its purpose, **the Corporation acts in an independent and professional manner, with a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

*The Hellenic Corporation of Assets and Participations promotes reforms for 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 four companies as “Direct Subsidiaries”, namely the Hellenic Financial Stability Fund “HFSF”, the Hellenic Republic Asset Development Fund “HRADF”, the Public Properties Company “ETAD” and the “5G Ventures”, while the participations of the Greek State in SOEs which have been transferred to HCAP are referred to as “Other Subsidiaries”.

The Other Subsidiaries in HCAP’s portfolio are active in sectors of the Greek economy such as energy, water supply and sewerage, infrastructure, transport, services, central 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., 10.32% 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 and were issued the decision with number 1223 & 1224/2020 4th Department (7member composition) which send the case to be judged by the Plenary Session of the Council of State due to significance. The hearing of the case was set for 06.11.2020 and the decision is expected.

\*\*\* HCAP has no powers on HFSF, as the decisions for the accomplishment of its mission and purpose are made exclusively by the relevant bodies of HFSF. Moreover, the governing bodies of the HFSF are not selected by HCAP.

## Other Participations and Rights

**Concession Agreements**

Pursuant to Article 198 of Law 4389/2016, the concession contracts of the other subsidiaries shall be automatically transferred to the Corporation. The possibility of concluding or renewing concession contracts relating to SOEs 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 reasoned request of the Corporation, may decide to co-sign, on behalf of the Greek state as a third contracting party, 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**

Based on the provision of Article 198(2) of Law 4389/2016, as amended and in force, any property rights, management, and exploitation rights, established financial interests, intangible rights, rights of operation, maintenance, and exploitation of infrastructures — which had been transferred previously to HRADF, by virtue of Decision No 195/2011 (GG B 2501) of the Interministerial Committee of Restructuring and Privatizations, 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 state-owned airports, of which the organization, operation, and management has been assigned to the Civil Aviation Authority (CAA), including any rights of administration, management, and exploitation over movable and immovable assets that are connected to the abovementioned airports, as well as of any land 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 set out in the relevant concession agreement, with the exception of the state-owned regional airports of Crete, mainland Greece and airports of islands in the Ionian and Aegean Sea, which have already been granted by virtue of concession agreements ratified by Articles 215 and 216 of Law 4389/2016 — are automatically transferred by HRADF to the Corporation, without consideration.

- ✈ Alexandroupolis
- ✈ Ioannina
- ✈ Araxos
- ✈ Kalamata
- ✈ Astypalaia
- ✈ Kalymnos
- ✈ Ikaria
- ✈ Karpathos
- ✈ Kassos
- ✈ Kastelorizo
- ✈ Kastoria
- ✈ Kythira
- ✈ Leros
- ✈ Milos
- ✈ Pros
- ✈ Skyros
- ✈ Chios
- ✈ Syros
- ✈ Nea Anchialos
- ✈ Sitia
- ✈ Naxos
- ✈ Kozani
- ✈ Limnos

**OTE Dividend**

Furthermore, pursuant to Article 350 of Law 4512/2018, the Greek State has ceded to HCAP the right to receive the dividend corresponding to the State's shareholding in the share of OTE, which amounts to 1%.

## A.2. Main Administrative 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 amendments to 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 and has a five-year term of office, who 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 whom 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 Supervisory Board of HCAP up to 25.10.2021, when its term of office expired, consisted of the following members:

- Jacques, Henri, Pierre, Catherine Le Pape, Chairman
- David Vegara Figueras, Member
- Polyxeni (Xenia) Kazoli, Member
- Charalambos Meidanis, Member
- Avraam- Minos Moysis, Member

The General Assembly of HCAP, by virtue of decision dated 15.10.2021, in accordance with the procedure of article 191 of law 4389/2016, appointed the new Supervisory Board.

Therefore, as of 15th October 2021, the composition of the Supervisory Board is the following:

- Jacques le Pape (Chairman)
- David Vegara, member
- Xenia Kazoli, member
- Haris Meidanis, member
- Naya Kalogeraki, member

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, who 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 rights.

**As of 16.02.2021** and by virtue of the relevant decision of the Supervisory Board dated 16.02.2021, the Board of Directors of HCAP constituted itself into BoD, as follows:

Full Name	Position	Term of Service
Konstantinos Derdemezis	Chairman, Non-executive Member	01.03.2020-01.03.2024
Grigorios Dimitriadis	CEO, Executive Member	16.02.2021-15.02.2025
Stefanos Giourelis	Deputy CEO and Executive Director, Executive Member	16.02.2021-15.02.2025
Hiro Athanassiou	Non-executive Member	08.04.2018-08.04.2022
Markos Veremis	Non-executive Member	16.02.2021-15.02.2025
Ioanna Kambouri Monnas	Non-executive Member	16.02.2021-15.02.2025
Efthimios Kyriakopoulos	Non-executive Member	16.02.2021-15.02.2025
Spyros Lorentziadis	Non-executive Member	14.01.2019-14.01.2023
Marina Niforos	Non-executive Member	16.02.2021-15.02.2025

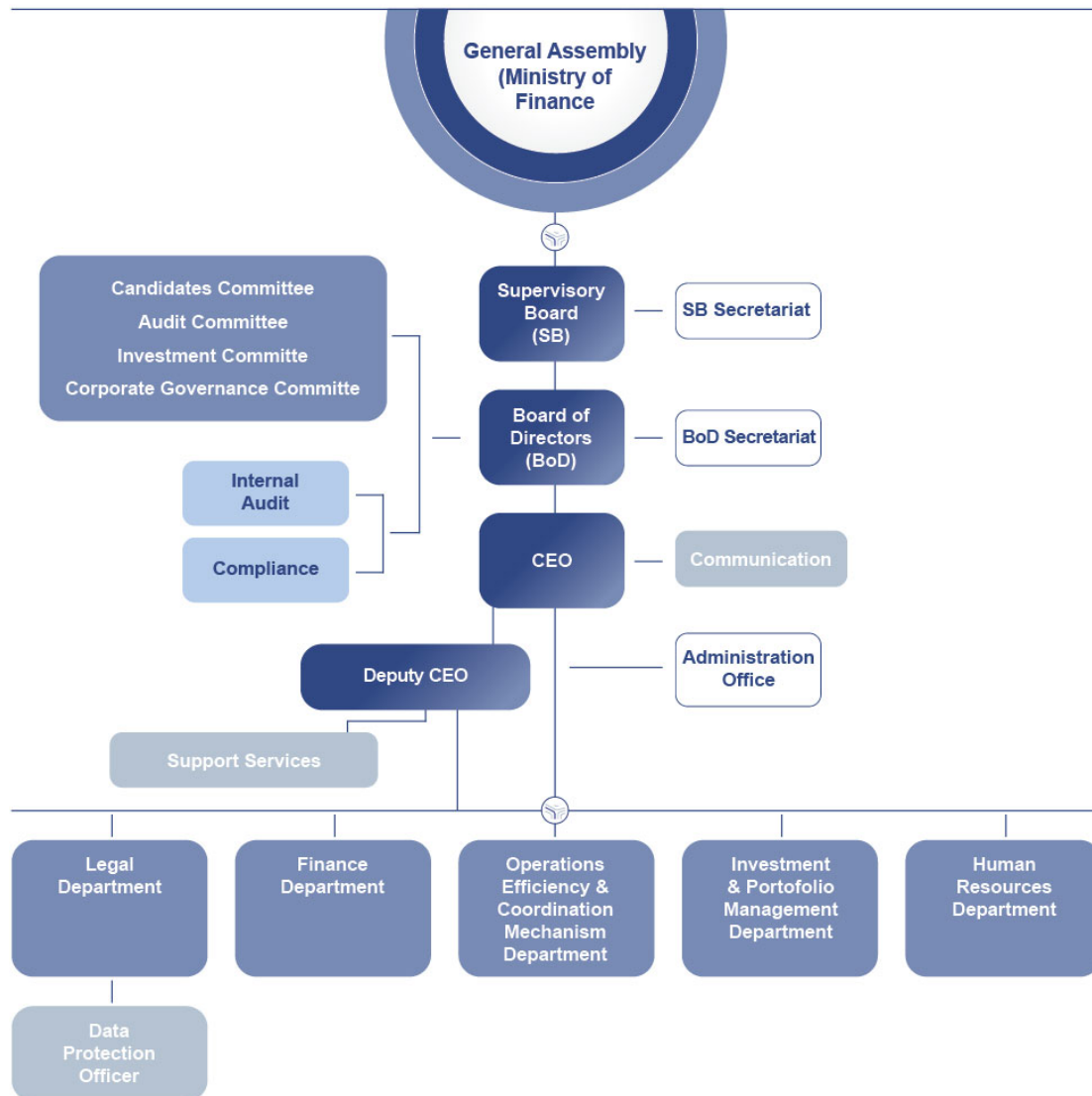
On 30.11.2021, Mr. Veremis submitted his resignation from the post of BoD member of HCAP.

For the support of the operations of the Board of Directors, the following Committees are established, namely:

- Audit Committee;
- Investment Committee;
- Risk Committee;
- Corporate Governance Committee; and
- Candidates Committee

### A.3. Organizational Chart

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 BoD on its supervisory role regarding the internal audit system of the company, as well as 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 third quarter of 2021, the IAD carried out the actions set out in the 2021 Audit Plan, which was approved on 21.12.2020. A relevant activity report was submitted and presented to the Audit Committee on 20.09.2021.

The [Compliance function](#) is responsible for the design, implementation, supervision and management of HCAP's 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 the operation of HCAP (and its subsidiaries), in line with international best practices.

HCAP's Compliance function has introduced a number of policies and procedures which are also adopted by its portfolio companies, in order to establish a new uniform corporate culture with an emphasis on business ethics and high compliance standards.

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

- ✓ Code of Ethics and Professional Conduct
- ✓ Compliance System Framework
- ✓ Gifts and Hospitality Policy
- ✓ Anti-bribery and Corruption Policy
- ✓ Guidance and Undertaking on the Protection of Confidential and Privileged Information
- ✓ Equal Opportunities and Diversity Policy
- ✓ Policy on Protection of Personal Data (GDPR)
- ✓ Third Party Risk Assessment Policy
- ✓ Corporate Social Responsibility Policy

HCAP's Compliance function has also developed mechanisms and procedures to enhance the prevention of conflict of interest issues. In particular, a conflict check screening process has been established and is followed regarding all members of HCAP's SB and BoD to ensure that their personal interests or relationships do not constitute a potential conflict of interest. A similar process is followed with respect to BoD members of HCAP and its portfolio companies that are assessed and/or

appointed by HCAP to ensure that their private interests or relationships do not result in a potential conflict of interest situation.

The implementation of compliance policies and procedures by HCAP's portfolio companies is systematically monitored through specific key performance indicators (KPIs) set for 2021. Compliance officers have also been appointed in most portfolio companies in order to manage and implement the relevant compliance rules and procedures in each organization. In addition, quarterly meetings are being held between HCAP's Compliance functions and its subsidiaries so as to monitor work progress of every subsidiary on these matters and ensure support is provided.

Importance is also paid to Compliance Officers' training and professional development, and for this purpose seminars and workshops are organised (also in collaboration with the International Compliance Association).

In addition, HCAP's Compliance function has designed comprehensive compliance training programs for HCAP and its portfolio companies and has organized a number of interactive tailored workshops/seminars in order to promote compliance/business ethics and raise awareness on relevant issues. In particular, a number of compliance/business ethics virtual workshops have been delivered in the third quarter of 2021 addressed to the management and senior executives of HCAP and its portfolio companies.

In particular, the Compliance function has also developed an innovative e-learning program for employees of HCAP and its portfolio companies running on a bespoke HCAP e-learning management system platform that serves the needs of all companies in its portfolio. The Compliance function has so far developed online training courses on "Business Continuity Management", "Compliance and Business Ethics" and "Working from Home".

Furthermore, informative material has been created in order to raise awareness on compliance and business ethics issues such as videos, manuals and in particular, posters promoting HCAP's values and principles (Transparency, Integrity, Trustworthiness and Responsibility) as well as equal opportunities and diversity.

#### Recent initiatives and actions

- ✓ Monitoring and prevention of incidents that stem from irregularities and unethical behavior through the development of a new whistleblowing system, due to operate in the beginning of 2022.
- ✓ Monitoring the perception of HCAP's portfolio employees on the practical application of business ethics in the workplace through a Business Ethics Survey which will be gradually sent to all subsidiaries.
- ✓ Collaboration with the National Transparency Authority both on the National Strategic Plan against Corruption 2022 - 2025 as well as on other wider issues relevant to business ethics.



## A.5. External Certified Auditor

According to the Decision of the General Assembly of the sole shareholder, Grant Thornton was elected as external auditor for the statutory audit of the Corporation's separate and consolidated financial statements for the year 01.01.2021 – 31.12.2021.

## A.6. Cash Resources – Single Treasury Account

HCAP's cash is held in a cash management account at the Bank of Greece through which it is managed. HCAP's cash and cash equivalents as at 30.09.2021 amounted to €86,101,390.

## 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 HFSF, and are 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"> <li><b>a)</b> Procurement Regulation</li> <li><b>b)</b> The Framework for the preparation of the Strategic Plan of HCAP</li> <li><b>c)</b> Performance Auditing Framework</li> <li><b>d)</b> Conflict of Interest Policy and Confidentiality Obligations</li> <li><b>e)</b> Internal Rules of the Supervisory Board</li> </ul> | <ul style="list-style-type: none"> <li><b>f)</b> Remuneration &amp; 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)"</li> <li><b>g)</b> Coordination Mechanism</li> </ul> | <ul style="list-style-type: none"> <li><b>h)</b> Corporate Governance Code</li> <li><b>i)</b> Performance Monitoring and Reporting Framework</li> <li><b>j)</b> Travel &amp; expenses Policy</li> <li><b>k)</b> Financial Reporting Standards and Framework for Financial Reporting</li> <li><b>l)</b> Board Evaluation and Removal Criteria concerning the Board of Directors of HCAP</li> <li><b>m)</b> Dividend Policy</li> <li><b>n)</b> Investment Policy</li> </ul> |
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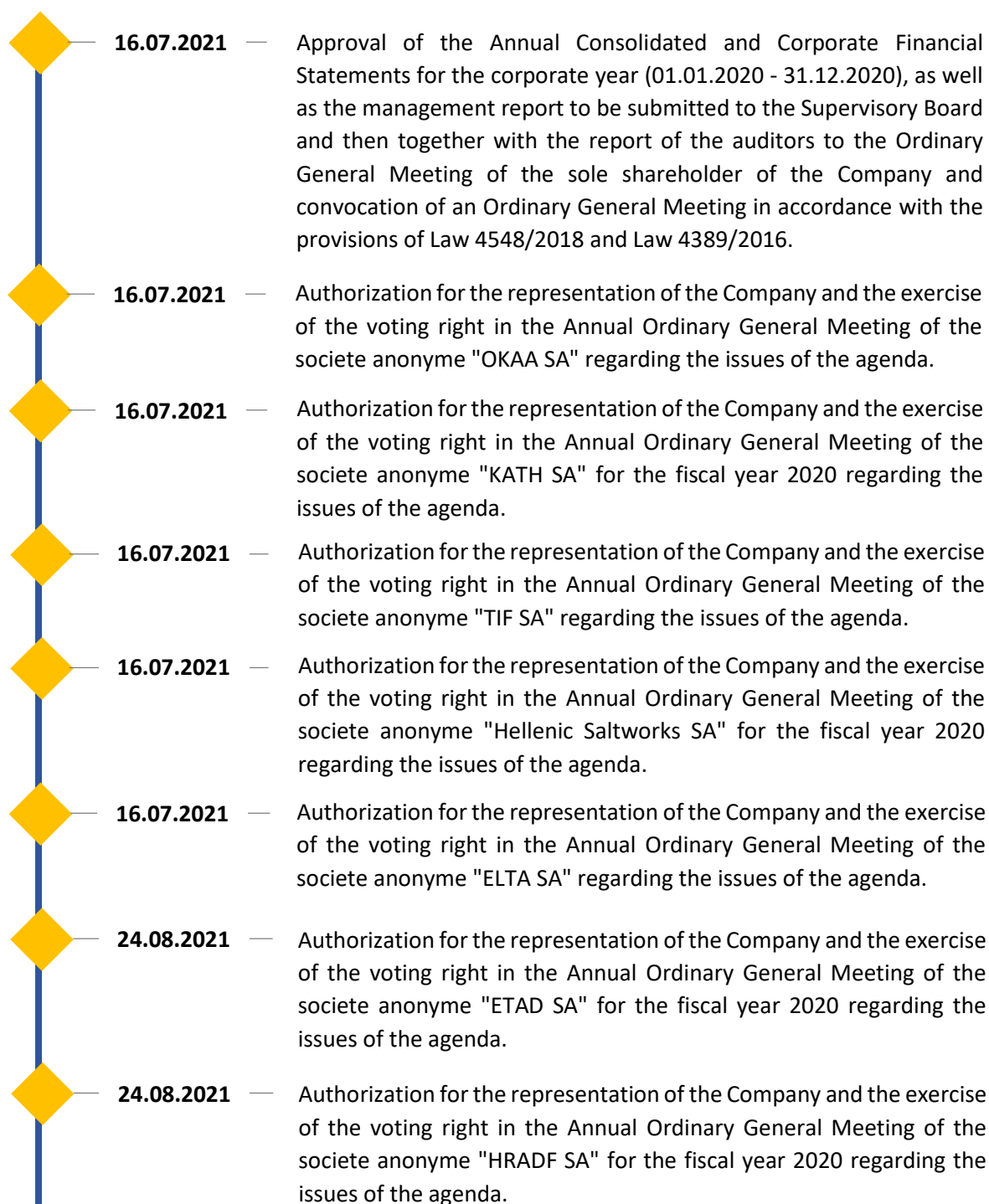
It should also be mentioned that the Corporate Governance Code is based on the Hellenic Corporate Governance Code for Listed Companies, which in its turn adopts the OECD Corporate Governance Guidelines, an international benchmark for corporate governance.

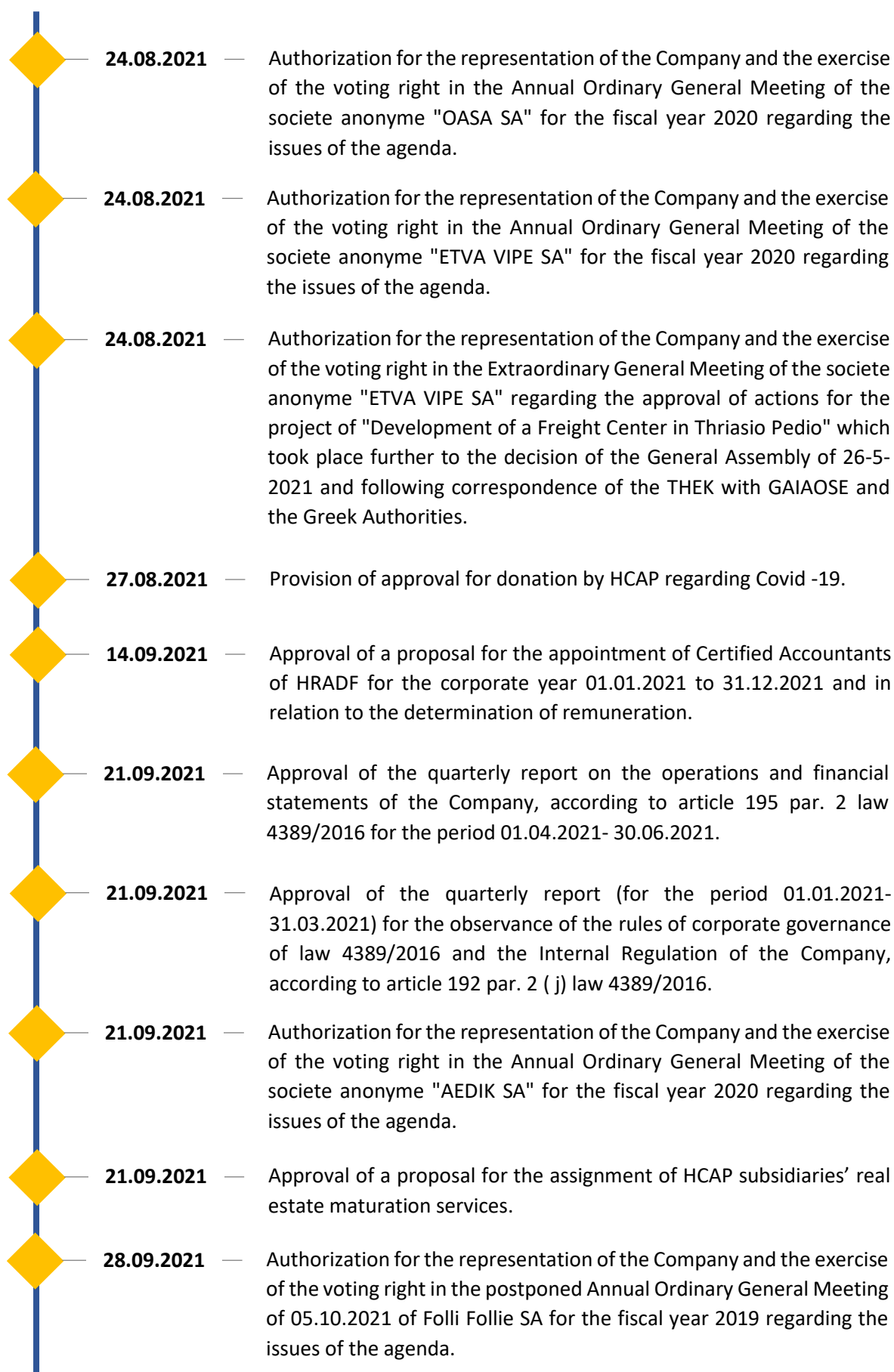
Finally, regarding the reporting obligations, the Board of Directors submits to the Supervisory Board quarterly reports regarding compliance with the rules of corporate governance, as provided for by the regulatory framework of the Corporation. In the framework of the financial reports, HCAP submits:

- ✓ Quarterly reports on its actions and financial statements,
- ✓ Reviewed semi-annual separate and consolidated financial statements and
- ✓ Audited annual separate and consolidated financial statements.

## A.8. Activities from 01.07.2021 to 30.09.2021 and main subsequent events

The Corporation's most important activities during Q3 2021, i.e. from 01.07.2021 to 30.09.2021, are presented below:







## Boards of Directors of subsidiaries

### Appointment of members to the BoDs and Audit Committees

Following the review of a large number of CVs and after the shortlisting and further assessment of a large number of professionals, HCAP's Board of Directors, following relevant proposals of the Candidates Committee, has appointed, as of the end of September 2021, **more than 100 members in 19 Boards** in HCAP portfolio companies, through open, professional and transparent procedures.

It is important to highlight that most of the newly appointed board members to the boards of HCAP's subsidiaries have long professional experience 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 appointed, as of the end of September 2021, **Audit Committees Chairs** at the Boards of Directors of HRADF, ETAD, PPC, EYDAP, EYATH, ELTA, OASA, OSY, STASY, GAIAOSE, Corinth Canal, CMT, CMFO, and Hellenic Saltworks.

The Board of Directors of HCAP, shareholder of TIF-Helexpo, in accordance with the procedure defined by article 197 par. 4 of Law 4389/2016, decided on 24.08.2021 to renew the term of office of Mr. Anastasios Tzikas, Chairman and of Mr. Kyriakos Pozrikidis, CEO of the Board of Directors.

The short CVs of the above members are as following:

**Anastasios Tzikas,**  
*Chairman*

Anastasios Tzikas graduated from the Polytechnic School of AUTH from the Department of Electrical Engineering. He is the President of TIF - HELEXPO SA, of the Exhibition Research Institute and of the High Technology Business Park "Technopolis of Thessaloniki". He is a member of the Board of Directors of the Tourism Promotion and Marketing Organization of Region of Thessaloniki and also the Third Vice President of the Association of Industries of Northern Greece. He was one of the founders of Singular Northern Greece SA and was the CEO of Singular B.E. SA and Singular Software SA from 1987-2004. During this period he was the Managing Director of Singular Bulgaria, Singular Romania, Vice President of Internet Hellas, Delta Singular Education and Managing Director and member of the Board of Delta Singular. Anastasios Tzikas has significant social activity participating as a member of the Dialogue Committee for the Constitutional Review set up by the Prime Minister of Greece and the Macedonian Museum of Contemporary Art. He is Honorary Chairman of the Association of IT and Communication Enterprises of Greece (SEPE), of which he was Chairman for 8 years and also Honorary Chairman of the Association of IT Enterprises of Northern Greece (SEPVE), of which he was Chairman for more than 15 years.

**Kyriakos Pozrikidis,**  
*Chief Executive Officer*

Kyriakos Pozrikidis was born in Thessaloniki. He holds a degree in Economics from the Aristotle University of Thessaloniki and holds a Master's Degree in Business Administration (MBA) from the University of Wales. He holds a PhD from the University of Macedonia and has prepared his doctoral dissertation on "Perceived Success Factors and the Expected Impact of the World Exhibitions (EXPO): The case of Thessaloniki ". He has authored his master's thesis "Exhibitions as a Marketing Tool", the historical album "Magic Images" which refers to the history of the Thessaloniki International Fair since its foundation, the books "Exhibition Stories" and "Techniques for Participation in International Exhibitions", a comics "DETHistas", the knowledge game of Thessaloniki "City Game - Thessaloniki", while he participated in dozens of studies on trade fairs and conference tourism. He writes articles in many industry exhibition and conference publications. He has been the organizer and speaker at workshops on exhibition and conference policy, training programs and conferences in Greece and abroad.

He was a member of the Board of Directors (1995 - 1998) and President (1998 - 2000) of the European Tourism Trade Fairs Association. He is a member of the Board of Directors (2012 - present) in the world exhibition association (Union des Foires Internationales) and a member of the European working group of UFI (Regional Chapter Europe). He was President of the Central European Fairs Alliance (CEFA) (2016 - 2018). He is a certified member of the International Association of Professional Exhibition Organizers (IAEM). He held the position of Project Manager for the claim of the World Exhibition EXPO 2008 from Thessaloniki and was a member of the Board of Directors of HELEXPO SA, while from 2007 to 2010 he held the position of Executive Member of the Board of TIF SA. He has been honored by the Hellenic Tourism Organization for his contribution in the context of the International Forum for conference tourism. Today he holds the position of CEO of the national exhibition body TIF - Helexpo.



## **HCAP Strategic & Business Planning – Implementation of Key Performance Indicators (KPIs) in State-Owned Enterprises**

In February 2021, HCAP received the New Strategic Directions from its sole Shareholder, the Minister of Finance. The new strategic directions were analyzed in detail and constituted the main axis for drafting its medium-term Strategic Plan for years 2022-2024.

The Strategic Plan of HCAP for the period 2022-2024, was created based on the Directions of its sole shareholder and received the approval of its Board of Directors on September 21, 2021. According to the provisions of the Internal Regulation of HCAP, the next step is the approval of the Plan by the General Assembly, ie by the Ministry of Finance.

The Strategic Plan of HCAP, is a key tool for the corporation to achieve its mission which is to ensure and maximize the value of the public property it manages.

The Plan gives special weight to two (2) axes:

(a) The role of HCAP as a reformer of the SOEs of its portfolio, through a series of strategies that cover a wide range of actions, in order to ensure and maximize their value.

(b) The role of HCAP as an investor in the Greek Economy, through the implementation of investments from the relevant funds that the Company has accumulated and will accumulate through the implementation of its Plan.

In addition, the Plan identifies three key stakeholders and targets both HCAP and its subsidiaries in creating value, equally for: a) the economy b) citizens c) the environment.

The Strategic Plan is a guide for the preparation and annual updating of the Business Plan of HCAP, covering a three-year horizon.

In addition, the Strategic Plan of HCAP specializes in both parent and subsidiary level, with actions both for the short and medium-term, while targets are set for the performance of HCAP and its subsidiaries in terms of Key Performance Indicators (KPIs).

The targeting mechanism of the Strategic Plan includes categories of Performance Indicators proportional to the three main stakeholders that the Plan recognizes, so both HCAP and its subsidiaries are targeted:

(a) In their financial return - for the return of value to the economy

(b) On the one hand in their relationship with citizens / customers and on the other hand in their relationship with their human resources - to add value to the human factor

(c) In environmentally friendly policies - to add value to it

Regarding 2021, a year not covered by the new Strategic Plan of the Company, during its second quarter, the revised targets and performance indicators of its subsidiaries were approved.

The new Strategic Plan of HCAP will in turn direct the strategy and business planning of the subsidiaries. The new Strategic Plan of HCAP is an important opportunity to lay the new foundations, which in the medium-long term are expected to help HCAP to improve its financial performance, equally for its three main stakeholders.

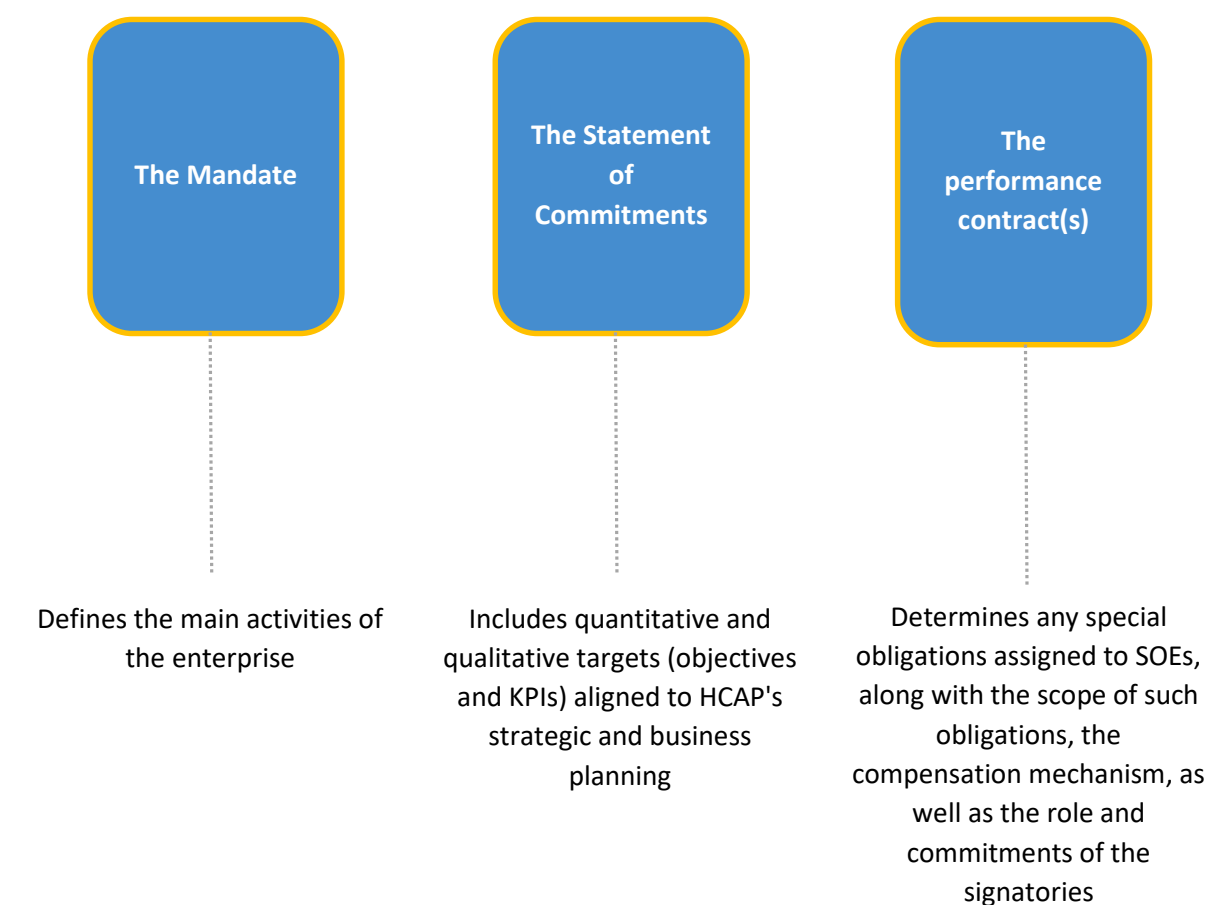


### Coordination Mechanism

The Coordination Mechanism sets out the procedures and deliverables regarding the model of cooperation among the State, HCAP and State-Owned Enterprises (SOEs), within the framework set out in the Rules of Procedure of HCAP. Excluded from the Coordination Mechanism scope are HCAP's direct subsidiaries, minority interests and listed companies.

The Greek Government is a key stakeholder and is represented by the Cabinet Committee by the Ministerial Council Act 38/31.10.2019. A Committee's Support Team was also established by the same act.

The Coordination Mechanism includes three main pillars:



The implementation of the Coordination Mechanism in terms of Mandates and Statements of Commitments is currently at a mature stage.

The **Mandates** have been approved by the Cabinet Committee in March 2020 as provisioned, and no updates are expected without a substantial reason.

The **Statements of Commitments** have been designed in such a way that it is a continuous process, repeated on an annual basis, in full alignment with the Strategic Plan and Business Plan of HCAP. It should be noted that these Statements reflect the financial, operational and other objectives set in SOEs for a three-year horizon. As a result, they will be completed in their full form after the finalization of HCAP Strategic Plan, in the second half of 2021.

In terms of **Performance Contracts**, they are only developed for certain SOEs. A key priority at this stage is to prepare the contract (or contracts) for OASA, in relation to special obligations assigned to OASA for the free or reduced fare transit of special passenger categories (e.g. free access to the unemployed) under the framework of the social policy pursued by the State.

Despite the significant effects of the pandemic for the Greek Government and HCAP, this deliverable made progress in the first months of 2021.

Thus, in cooperation with OASA, the recording of the existing special obligations was finalized and the draft describing the perimeter of these contracts was formed. Additionally, in cooperation with



the support team of the Cabinet Committee, the key flow of actions was identified for the implementation of this deliverable, taking into account the various stakeholders.

In April 2021, by decision of the Minister of Finance (No. 48703 EX 2021 / B '1630 / 21.04.2021) the Coordination Committee was established, according to the provisions of the Coordination Mechanism. The members of the Committee appointed are:

- Secretary General of Economic Policy of the Ministry of Finance (as President);
- Secretary General of Fiscal Policy of the Ministry of Finance;
- Secretary General of Transport of the Ministry of Infrastructure and Transport;
- CEO of OASA SA;
- CEO of HCAP SA;
- as well as officials from the Ministries, HCAP and OASA.

The Coordination Committee's tasks are:

- preparing a study on the list of special obligations which OASA will be called upon to undertake, as well as,
- providing support to the Cabinet Committee, in order for the latter to review and evaluate the list of activities for the assignment or maintenance of special obligations to OASA.

Since April 2021, the Steering Committee has examined the costs for the services provided by the OASA Group companies, which derive from social or other public policy objectives, and a proposal for the financing mechanism and the methodology for calculating and allocating the costs, according to with Greek and European legislation and best practices. The Committee agreed and approved the proposal on the methodology and funding mechanism as a basis for drafting the Performance and Objectives Convention for the OASA.

Subject matter of the contract is the calculation of the compensation to which OASA is entitled from the Greek State for the assumption of special obligations in the context of the state's social policy, also defining the compensation payment procedure. The compensation refers to the difference between the nominal fare price minus a bulk sales equivalent discount, minus the respective exemption from fare (partial or full) corresponding to each beneficiary category as determined by the state social policy, multiplied by the number of fare products activated or purchased. The contract describes in detail formulas and the data definitions based on which the compensation calculation is performed.

OASA compensation process: Provided that special obligations have been included in the state budget per each category of beneficiaries, in July of each year, the signatory ministries and the respective competent ministry per category of beneficiaries issue a Joint Ministerial Decision on partial or full exemption from fare, regulating also any other necessary details, and taking into effect on January 1st of the following year. In the case that the Joint Ministerial Decision would not be issued, OASA would not be obliged to assume special obligations on full or partial fare exemptions. Inclusion in the state budget requires a relevant Joint Ministerial Decision to be issued in September of each year, serving as an annex to the Contract with an annual and non-renewable duration. The OASA compensation for assuming special obligations, to be included in the state budget as such, is based on the previous year's detailed data from the automatic fare collection system. At the end of

each year (when the actual data of the year are available), the contract provides for outturn adjustment on the amount, settled in the consecutive year.

The contract monitoring mechanism provides that OASA and its shareholder (HCAP) shall report to the Government Committee on the performance of this contract on a semi-annual basis. OASA shall be monitored in terms of accuracy of the previous year's calculation (Compensation Amount Budget/Report) by category of the beneficiary, while the relevant ministries shall be monitored on any compensation payment delays (day average) to OASA and also as to the ratio of the amount of compensation paid divided by the amount due. The contract also regulates the way in which changes in the nominal fare prices, in fare exemptions or in special obligations per se, are settled.

## INFORMATION ON THE OPERATIONS OF HCAP'S SUBSIDIARIES



### PPC: Transformation into an environmentally sustainable and cutting-edge utility

The share capital increase of PPC was completed with particular success, with multiple over-subscription at the upper limit price of 9 euros per share. The total capital raised by the company amounts to 1.35 billion euros with the trading of 150 million new shares starting on 16th November 2021. At present, PPC's shareholding structure includes notable investors, mainly international funds with a long-term strategy, among them CVC as a cornerstone investor. Through HCAP and HRADF, the Greek State maintains the blocking minority stake with 34,12%. The entry in the MSCI index which followed the capital increase places PPC among the most important Greek listed companies. Over and above, significant capital flowed recently to PPC from the sale of 49% of HEDNO at a net price of approximately 1.3 billion euros, as well as from the issuance of sustainability-linked senior notes from which the company raised over 1.2 billion euros.

With a strong capital position, PPC is transforming into an environmentally sustainable and cutting-edge utility, with a completely renewed strategy and an investment program of 9.3 billion euros, anticipating that by 2026 it will have built RES capacity of 9.5 GW and Recurring EBITDA at 1.7 billion euros.

A central strategic pillar is renewable energy sources, targeting 55% of capital expenditures and 39% of Recurring EBITDA by 2026, in Greece and the Balkans. In this context, PPC continues the actions for further maturation of the RES project portfolio, while it is in contact with international players, such as the cooperation between PPC Renewables and RWE Renewables GmbH for the joint construction and contribution of photovoltaic stations with a capacity of up to 2 GW.

Advancing the customer experience is also at the core of PPC's strategy with combined products and flexible packages, high-quality energy services, and modern stores. The pilot store of Maroussi has already opened while refurbishments are planned for the remaining 146 points throughout Greece. On top, pop-up stores are added such as the ones already established at the Golden Hall and the Mediterranean Cosmos. In the field of e-mobility, through the "DEI BLUE" brand, PPC has already installed over 400 charging stations in Greece, aiming to lead the market with over 10,000 charging stations all over Greece in the medium term.

PPC's strategy also includes the further development and automation of the distribution network with approximately 1.9 billion euros of investments between 2022 and 2026, as well as the expansion onto the telecommunications sector with the development of fiber optic infrastructure of 680 million euros of investments in the same period.



#### **EYATH – Innovation actions and Investments with a Green Footprint**

The third quarter of 2021 is marked by a series of investments with a Green Footprint, whilst the co-operation of the company with the Aristotle University of Thessaloniki to monitor the Covid-19 virus load in the city's sewerage system is being continued. The expansion of the Aliakmonas' Water Treatment Plant and the repair of the Aravissos aqueduct whilst in operation are major projects that are underway. In addition, important projects are being carried out, including the energy and operational refurbishment of the Sewerage Treatment Plant of Thessaloniki (EELTH), the major facility of the Greater Thessaloniki area, and the completion of the connection of the western areas of the city sewerage network with the Sewerage Treatment Plant at the motorway intersection K16. The company is committed to its sustainability goals, namely of reducing its water footprint by 20% and its carbon footprint by 50% by 2030.



#### **EYDAP – Implementation of investment program**

During the period under review (third quarter of 2021, updated until 10/11/2021), EYDAP continued the implementation of its major investment program, including the construction of new sewerage networks.

Guided by the new organizational chart, the transformation of EYDAP into a modern Company with a focus on Safety, Efficiency and Growth, in the context of the principles of Sustainable Development, continues.

In addition, during the last trimester, EYDAP continued its intensive efforts to conclude the new 20year exclusive agreement for the provision of water and wastewater services to the Attica region with the Greek State by the end of the year.

In the context of corporate governance, the General Directorate for Transformation was established and staffed to prepare, inform and implement the strategic transformation of EYDAP, as well as to ensure the implementation of programs and projects aligned with the Company's strategic objectives.

As of July 2021, various projects have been launched and are underway. These include: Smart Meters strategy implementation, upgrade of the existing Enterprise Resource Planning (ERP) system, development of the Strategic Workforce Planning plan, the Optimal Approach to Account Management (Billing), plan of actions to reduce the energy footprint of EYDAP S.A..

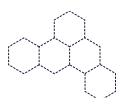
EYDAP entered the new ATHEX ESG Index of the Athens Stock Exchange in August 2021. The Company has set clear strategic ESG targets aiming at the continuous improvement of the respective indices.

EYDAP is the first public company to incorporate SASB standards in its Sustainability Report, something which demonstrates the Company's commitment to full and continuous alignment with the new practices.



### ETAD –Completion of Skaramanga Shipyards tender

The real estate sector continued to be affected by the COVID-19 pandemic, during the third quarter of 2021. Nevertheless, significant progress has been achieved in the development of specific projects. The tender for the sale of the Skaramangas Shipyard has been concluded (07/07/2021) with a winning bid of €37.3m (+21,5% from the starting price). The sale agreement is expected to be signed within 2021. During the time under examination HPPPC Business Units continued to gradually reopened. Namely, Diros Caves (23/07/2021) and Nigrita thermal springs (15/07/2021). RfP for a 1,300 built sqm plot in the city Centre of Heraklion in Crete was completed successfully with multiple bids on the 08/07. Ongoing RfP for a plot of land in Imeros, Rodopi (24/09/2021) and a two-storey listed building in Patras (28/09/2021). On September the 1st, the Kastoria Xenia was conceded to the Ministry of Culture in order to support the expansion of the local Byzantine Museum. Last but not least, HPPC contributed in the relief effort following the forest fires of August 2021. In particular, animals of the Equestrian Clubs located in the broader area of Varibobi were transferred to the Olympic Equestrian Center of Markopoulo, more than 100 people affected by the wildfires were housed at the Thermal Springs of Edipsos and more than 200 children evacuated from summer camps were given shelter at the Olympic Rowing Center of Schinias the Olympic Rowing Center of Schinias.



### HRADF – Innovative Actions & Investments with "Green" Footprint

During the period under consideration (third quarter 2021 with info and data up to 10/11/2021) the following events took place:

On 15/7/2021 six participants submitted an EOI file for the long-term concession of Marina Kalamaria, and they were all approved to participate in the next phase of the tender, according to the decision of the Board of Directors dated 23/9/2021.

On 26/8/2021, the Board of Directors of HRADH proceeded to the opening of the improved financial offer submitted by the consortium GEK TERNA SA. - EGIS PROJECTS S.A., for the concession of the Egnatia Odos highway for a period of 35 years.

The improved binding offer amounted to € 1,496,100,000, increased by € 100 thou compared to the initial submitted offer. The Board of Directors accepted it and announced the consortium GEK TERNA SA. - EGIS PROJECTS S.A. as Preferred Investor. It is estimated that the completion of the tender, the payment of the initial financial consideration and the entry into force of the concession agreement (Financial closing) will take place within the 2nd Half of 2022.

On 2/9/2021 through the e-auction IX bidding process, winning bidders were selected for four properties of HRADH (Xenia Kythnou, 5-storey building Ippokratous 88, Athens, former Magistrate's Court of Klitoria, Achaia, Peloponnisos, 66.66% of the 3rd floor in Eolou & Ermou streets in Central Athens).

On 9/9/2021 the Board of Directors of HRADH proceeded to the opening of the improved financial offer submitted by ITALGAS SpA for the joint sale with ELPE of 100% of DEPA Infrastructure SA. The improved binding offer amounted to € 733 million and is considered very satisfactory.

The Board accepted it and announced ITALGAS SpA as the Preferred Investor. The tender dossier was submitted on 26/10/2021 to the Court of Audit for pre-contractual audit, and the contractual documents of the transaction will be signed after the approval by the Court of Audit (Elegktiko Synedrio).

On 17/9/2021 it was announced that 9 interested parties submitted an Expression of Interest for the acquisition of a majority stake (at least 67%) in the share capital of "Heraklion Port Authority" SA.

On 7/10/2021 the transfer from the HRADH of 16% of the shares of PPA SA to COSCO SHIPPING (Hong Kong) Co was completed following the amendment of the Concession Agreement (between the Greek State and PPA SA) and its ratification by the Parliament with law 4838/2021. COSCO paid to HRDH the amount of € 88 million for 16% of the PPA shares, plus accrued interest of € 12 million (the amount was held in an escrow account according to the provisions of the concession agreement dated 6/24/2016), and delivered a letter of guarantee for the amount of €29 million as collateral for the timely implementation of the (amended) investment program of the PPA.

Finally, on 15/10/2021, 4 interested parties submitted Bids for the exploitation of the former American base in Gournes, Heraklion, Crete (1. CLUB HOTEL CASINO LOUTRAKI SA - LYKTOS HOLDING SA 2. DIMAND SA 3. REDS SA 4. VIVION INVESTMENTS Sarl). Following the evaluation of the submitted documents, a process currently executed, the Financial Offers will be opened. HRDH will set up a societe anonyme to which it will transfer ownership of the property and will transfer all its shares to the winning bidder.

The tenders for the development of the ports of Alexandroupolis, Kavala and Igoumenitsa continue to be implemented having entered the B phase of the tender process as well as the tenders for the sale of the companies DEPA COMMERCE & LARCO as well as the tender for the utilisation of the South Kavala Underground Natural Gas Storage Facility.



#### **OASA– Enhancing the capacity and effectiveness of passenger services**

OASA and its subsidiaries continued the implementation of measures (contract with the suburban operator KTEL, integration of 293 leased buses in OSE's fleet, completion the recruitment of drivers and technicians), in order to improve the level of service offered during the pandemic. The results were already visible in September 2021, the first month of the so-called winter schedule; the number of peak vehicles was improved by 29% and realized trips by 19%. With respect to metro services, in October 2021, a train operating in Lines 2&3 was transferred to Line 1, and within November 2021 a second train will follow, as to improve headways and reduce overcrowding. Furthermore, two important initiatives of the OASA Group are approaching completion: The first involves signing off a project for enabling passengers to enjoy cell phone services while in stations and tunnels, and the second, the integration of the Ath.ENA card fare products into the new digital student pass.

Finally, OASA, facilitated by HCAP, began the implementation of projects pertaining to improving PWD accessibility; these include, among others, equipping 156 bus stops with prefabricated projections, accessibility evaluation of metro stations and improvement proposals (signs and marking for PWD, PWD amenities in lifts, announcing incidents in public address system, updates in the OASA website etc.), November 2021 marked the beginning of OASA personnel training in the provision of passenger services to PWD, and facilitation of PWD in OASA Group vehicles and stations.



#### **ELTA – Transformation Plan in progress**

The implementation of the five-year transformation plan of ELTA is in progress, while actions are already underway to ensure the necessary technical support for the implementation of the operational transformation of ELTA. Furthermore, the company plans and implements customer improvements at the company website targeting to improve for inquiries regarding tracking for postal items.

Lastly, ELTA was awarded with the "Coup de Coeur 2021" by Post Europe for the social responsibility action "Stop Bullying".



#### **GAIAOSE – Valuation of strategic real estate assets - Promotion of the cultural heritage**

The procedures have been initiated for the valuation of selected strategic real estate assets with completion target by end of 2021. Furthermore, within the target for the promotion of the cultural heritage, the company has completed bidding procedures for the assignment of the restoration of the central listed building of the Pyrgos Railway Station.



#### **CMFO– Opening of the Volos Fish Warf and support of social dining**

CMFO inaugurated on November 1st, the Fish Warf of Volos which, through its operation, is expected to create new jobs, to contribute to the development of fish trade to Central Greece and neighbouring prefectures and to benefit the local community, providing better services and prices to consumers as it promotes competition. The modern infrastructure of the fish-warf has the ability to meet the needs - over Magnesia - of Thessaly and neighbouring prefectures, playing a central role in marketing the country's fishery products while providing direct access to fresh fish and catches of Pagasitikos under conditions of hygiene and safety. The facility has a modern catch auction room, administration and service offices. Also, an engine room, pumping station and warehouses have been constructed, while there is monitoring of the cooling conditions in the catch chambers.

The 11 fish-warves of OKAA throughout Greece, ensure the quality, safety and reliability of the fish goods that are traded. At the same time, they contribute to the stimulation of the economy of each area where the respective fish-warf operates.

At the same time, the Organization, recognizing the importance of the problem of exclusion of vulnerable social groups, takes initiatives with consistency and responsibility to address this situation. In this context, on November 9th, in the Central Market of Athens in Rentis, OKAA organized in collaboration with the NGO Food On, a social integration meal - social dining. The aim of this initiative is to give Food On beneficiaries the opportunity to participate in a socializing environment with different social groups and to be active through the dining experience.

The specific initiative of CMFO is part of the overall framework of HCAP's strategy of sustainability, which gives special emphasis to the sustainable management of food and water.



#### **CMT– Significant grant to CMT for the circular economy initiative “SOCIAL PLATE”**

In July, the Central Market of Thessaloniki secured a significant grant through its selection from Green Fund 1 to strengthen the "SOCIAL PLATE" initiative. The grant (total amount of €310 ths) concerns the actions of the circular economy and the prevention of the production of food waste in the framework of the project for the Implementation of the Circular Economy in Greece.

The Central Market of Thessaloniki and the International Training Institute "Technopolis" carry out the "SOCIAL PLATE" initiative for the utilization of fruits and vegetables provided by the traders of CMT to the urban non-profit company called "Social Food Aid" created for this purpose. Every day, the interested traders deliver quantities of non-marketable fruits and vegetables, from which the suitable ones are selected for consumption, reconstructed and distributed to social bodies, which offer them to vulnerable social groups. The program contributes substantially to the reduction of food waste and to the support and feeding of vulnerable groups, as well as to the wider awareness of the public about the prevention of food waste production. From the start of the program, in April 2018, until June 2021, about 70% of the 747 tons of collected fruits and vegetables were saved, which was distributed to 70 beneficiary organizations.



#### **AEDIK– Launching a project of National Importance**

In November 2020, there were again landslides in the Corinth Canal, resulting in the stopping of crossings. Following a relevant techno-geological study it was decided to stop crossings and restore the slopes. The funding, amounting to 9 million euros, was approved by the Ministry of Development and Investment and is implemented in cooperation with the Ministry of Infrastructure and Transport, which supervises the project. On 26.11.2021, the final study for the restoration of the slopes was delivered to the Ministry of Infrastructure by the contractor. The study envisages the implementation of relevant works in two phases: a) slope de-stressing work and canal clearing that will take place by May 2022 so that the canal can operate during the summer months, and b) slope stabilization work that will begin in autumn of 2022. In September, HCAP commissioned 5 studies to investigate the development prospects of the company. Namely: a) a developmental master plan, b) a geotechnical study for the possible location of ports / marinas, c) feasibility study for the widening and deepening of the canal, d) photometric mapping of the slopes and e) stability mapping study of



the slopes throughout the canal. A framework agreement with the Peloponnese Region and the Municipality of Loutraki - Perachora & Agios Theodoros has been signed concerning the installation of a fence along the Canal, to enhance security.



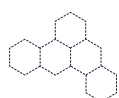
#### **TIF – HELEXPO – Return to exhibition activity**

Between September 11 and 19, the Company successfully completed the 85th Thessaloniki International Fair (TIF) with Greece as the honoured country, marking the resumption of exhibition activity in our country. The 85th TIF was the first European Covid Free General Exhibition after the outbreak of the pandemic, where the Covid Pass protocols were applied.

Respectively, on October 14th, the first exhibition of innovation and digital technology "Beyond 4.0" was inaugurated at the International Exhibition Centre in Thessaloniki. TIF-Helexpo S.A. aims to develop this exhibition into a large international "meeting" of technology bodies and companies and to contribute to the digital transition of the country with Thessaloniki as a springboard.

Between November 12 and 14, after a year of absence due to the pandemic, the tourist exhibition "duo" Philoxenia-Hotelia returned, organized at the Thessaloniki International Exhibition Centre, in a "covid free environment" with the honoured municipality of Epidaurus, marking the return of TIF-Helexpo SA to the market of international tourism fairs.

TIF-Helexpo S.A.'s Management aims to consistently follow the program of exhibition events despite the limitations of the pandemic. At the same time, the implementation of the project of the Renovation of the TIF Exhibition and Conference Centre is a priority for the Company, so at this stage it is moving forward together with the team of Sauerbruch Hutton (Germany), Gustafson Porter + Bowman (Britain) and Elena Stavropoulou (Greece), winner of the first architectural award, in further studies for the technical maturation of the proposal. The goal is for the works for the renovation plan to start after the general exhibition of 2023 and to be completed by 2026, on the 100th anniversary of the 1st TIF.



#### **Hellenic Saltworks S.A. – Afrina of Messolonghi**

In the current period, Hellenic Saltworks S.A. is recovering in terms of performance and laying the foundations for further development.

Hellenic Saltworks, submitted an application for the inclusion of "Afrina" Messolonghi in the register of PDO / PGI / TSG products of the Ministry of Rural Development and Food. "Afrina" is the salt flower, a natural product with added nutritional and quality value, which is produced in limited quantities in the Messolonghi saltwork and is collected by specialized workers, without the use of machines, from the surface of the salt marshes by using natural methods. It contains valuable trace elements making it a highest nutritional value product and a high quality Greek gastronomic product.



The aim of the initiative for its inclusion in the national list of PGI products is to highlight a unique product, internationally recognizable, produced by Hellenic Saltworks in Messolonghi. With the certification, the product will gain value in order to pave the way for its standardization, allowing the Company to open up to new markets.

The Company has received the preliminary approval from the Ministry of Rural Development and Food while the process for obtaining the final approval is expected to be completed by the end of 2021.



#### **Kalamata Airport and 22 regional airports-launch of exploitation**

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The tender for the selection of financial, technical and legal advisors for the assignment of a concession for Kalamata Airport was completed with the selection (among six candidates) of a consortium consisting Deloitte - FCNC Financial Advisors - Doxiades Office - Your Legal Partners – DVLaw.

The selected consultants have undertaken to identify and report the current status of the Airport, to identify and evaluate the investment needs in combination with alternative contractual and financial structures and to design the tender for the award of a long-term concession contract.

The advisers are already in contact with the Hellenic Civil Aviation Authority (HCAA) and the Hellenic Air force General Staff (due to the military activities at the airport) for data collection.

Also, the process of updating the study for the utilisation of the 22 regional airports of the country is expected to be completed at the end of November / beginning of December 2021, and will be submitted to HCAP.



#### **FAISTOS – signing of the memorandum of cooperation with COSMOTE**

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Within the third quarter of 2021, a memorandum of cooperation was signed for the completion of the 5G ecosystem with the company "COSMOTE Mobile Telecommunications SA" for the development of new or modification of existing test networks, in order to support technical tests and to evaluate business models related to services and technologies that will be developed by companies in which the Phaistos Investment Fund will invest. Also, the process of participation in the European Investment Council (EIC) has been completed, which will be used as an additional tool to search for companies for investment (deal flow) or co-investment with other funds. Finally, the Information Memorandum for the Phaistos Investment Fund was drafted, and the drafting of the Draft Agreement for the Establishment and Management of "Phaistos Fund" began.

Meetings were organized with potential investors for fundraising. Given the very time-consuming procedures with some institutional investors, it was preferred to make two closings, the first within Q1 / 2022 and the second within 2022, so that on the one hand the Phaistos Investment Fund is set up immediately and can proceed with investments and on the other hand the necessary time for

institutional investors to complete their internal processes by the second closing. In addition, informal meetings were held with companies - potential recipients of investment from the Phaistos Investment Fund, pending the completion of the procedures for its establishment. (20 possible target companies). Also in this context, collaborations with international funds for specific co-investments.

According to the decision of the General Meeting of the company dated 24.06.2021, the amended articles of association of "5G Ventures" were published in the General Commercial Register regarding the transfer of its registered office and the responsibilities of the Investment Committee.



## Actions and strategy for Sustainable Development

### HCAP actively supports the decarbonisation plan of the country

HCAP, in the context of its contribution to tackling climate change and the creation of a low-emission economy, supports the process of the country's de-carbonisation and Just Transition Development Program in the post-carbon era. Utilizing its know-how, HCAP actively assists the Greek State and the Coordinating Committee (SDAM), in the preparatory actions for the implementation of the program.

In this context, following tender processes, HCAP assigned the Consulting Services project for the planning and organization for a new company that will ensure the transition of carbon-dependent areas to the new era with the best possible conditions, maintaining social cohesion and accelerating their sustainable development.



## Technology, Digital Transformation and Synergies

HCAP has introduced horizontal cooperation initiatives and exchanges of best practices across its subsidiaries for the acceleration of digital transformation and promotion of the culture of innovation within its portfolio. At the same time, HCAP encourages the adoption of advanced technologies to meet the real challenges of the portfolio companies and pursues extroversion through synergies with the innovation ecosystem.

The relevant developments during the reporting period are as follows:

**Innovation Network Actions.** Within the framework of the Network's operations, and with the active support of members of the Boards of Directors and executives of HCAP and its subsidiaries, a number of horizontal digital transformation actions have been designed and are being implemented in two pillars:

**Open Data:** HCAP coordinates the initiative to strengthen and promote data generation and management activities and open APIs in its subsidiaries, as well as the creation of an Open Data Hub. In the framework of the initiative, the project "Technical & Operational Support for the delivery of open data – Open Data Hub of HCAP" as well as the HCAP subsidiaries efforts in identifying, producing and publishing (often utilizing automation) selected datasets have demonstrated significant progress. Implementation of the pilot release of the HCAP Open Data portal (Open Data Hub) has

progressed significantly. Through the portal selected open datasets from HCAP subsidiaries' operations, infrastructure and service delivery will be made available, following best practices and standards. The pilot version of the Open Data Hub will be launched in public in December 2021.

**Cybersecurity:** Following the announcement of the "Physical Security and Cyber-Security Optimization Plan" in May 2020 and given the directions of the "National Cybersecurity Strategy" under development, HCAP implements a program to upgrade cybersecurity in its subsidiaries. The program includes cybersecurity maturity assessment actions based on recognized standards, creation of a roadmap to upgrade maturity in cybersecurity issues, as well as provision of optional cybersecurity support services (opt-in), such as intrusion testing, security data and incident management services Security Operations Center (SOC) services, but also training, information and awareness actions for company executives. In the first phase of the program, an RFI process was completed with the participation of several major companies in Greece with leading position in cybersecurity services, significant know-how and track record. During the RFI process, several state-of-the-art solutions (methodologies, tools, and proposals for increasing the level of cybersecurity) were analyzed, under the coordination of HCAP and with the contribution of a working group consisting of subsidiaries' representatives, responsible for cybersecurity.

During the current second phase of the program, detailed specifications and the implementation of the relevant actions to increase the level of cybersecurity in HCAP's subsidiaries are in progress.

**E-mobility:** Following previous actions of the Network, a horizontal action was planned to strengthen and support the transition of HCAP subsidiaries to e-mobility, with initial focus on corporate vehicles and / or auxiliary vehicles. The action will focus on economies and scale and a speedy implementation of the transition. As first deliverables, the action has documented the vehicles in these categories and has delivered alternatives for their transition to e-mobility.

**Innovation competitions for crowdsourcing technological solutions by the SOEs in the form of 'Incentivized Competition'.** HCAP shaped the environment and the framework of a series of innovation competitions entitled 'HCAP Incentivized Competition series' (see <https://hcap-challenge.mitefgreece.org/>). The subsidiaries describe a technological challenge, have the relevant digital data and check the proposed solutions, so that their objective evaluation can take place.

1st competition of the series "Digital Innovation Challenges EYDAP" (<https://hcap-challenge.mitefgreece.org/eydap-innochallenge/>)

Following the relevant announcement in November 2020, in collaboration with EYDAP, the first in a series of competitions entitled "HCAP Innovation Challenge", the invitation gathered an extremely large number of teams (more than 160). At the beginning of 2021, the evaluation and selection of the teams that will compete for the prizes of the competition was completed by an international team of independent judges and in collaboration with HCAP-EYDAP and the MIT Enterprise Forum Greece. Following the teams' selection, two mentoring workshops were organized (April and June), during which the EYDAP experts provided detailed technical specifications and instructions to the competing teams. The teams have submitted their solutions for either one or both of the competition challenges. EYDAP experts have proceeded with the evaluation and verification of the solutions, utilizing the company lab, towards compiling the shortlist of successful solutions. The evaluation process, in order to appoint the winning teams, is scheduled to complete by the end of 2021.

2nd innovation competition by EYATH in collaboration with HCAP and MIT Enterprise Forum Greece

The second innovation competition of EYATH was prepared, with the object of applying technologies for the capture and individual treatment of pollutants in wastewater, and then, recovery of "valuable materials" from them. <https://hcap-challenge.mitefgreece.org/eyath-innochallenge/>. The competition was announced to the general public and a seminar (webinar) was organized to present it. The submission of proposals by the interested for participation parties has been completed. Collaboration between the teams participating to the competition and the EYATH experts followed, in order to provide clarifications, insight and data regarding the challenges. Subsequently, EYATH formed an evaluation team comprising of subject matter experts. The evaluation and selection of winners is scheduled to complete by the end of 2021.

**Digital Innovation Hub:** HCAP joined as a partner in a consortium for the establishment of the Digital Innovation Node of the Attica region ('Smart Attica'). The proposal ranked 1st in the national evaluation and will be evaluated at European level, in order to join the EU-approved European Digital Innovation Hubs. The pan-European call for proposals for the selection of European Digital Innovation Hubs (EDIHs) that is addressed only to nationally successful proposals was announced on November 1st with a deadline in February 2022. It is expected that 160-200 Hubs will be selected and will be co-financed starting from the beginning of 2023. This participation presents unique opportunities for the companies of HCAP, subject to the success of Smart Attica during the pan-European evaluation. In the context of the operation of the Node, which is expected to implement the idea of a smart area for Attica, extending the Smart City approach, HCAP has undertaken the representation of its subsidiaries and their networking with the innovation ecosystem in a regional, national and European level, participation in the design and pilot implementation of test before invest solutions, as well as digital skills training and enhancement actions.

**Competence Center in the Energy sector:** With the support of HCAP, EYDAP and OASA joined an initiative to establish a national-level Competence Center for providing specialized services of innovation and technology transfer in the field of Energy. In July, the General Secretariat for Research and Innovation announced the successful evaluation of the proposal and the approval of its funding under the "Capacity Centers" call of the Operational Program "Competitiveness, Entrepreneurship and Innovation (EPANEK) of NSRF 2014-2020.

**Synergies through the creation of a portal to present geospatial data (GIS):** HCAP, in close cooperation with its subsidiaries, has completed the implementation of a portal that is fed with geospatial data of its subsidiaries but also open geospatial data, as a tool to implement a holistic real estate management strategy, and to create added value.

**HCAP's Digital transformation:** During the reporting period, the strategic plan of IT services and infrastructure of HCAP continued to be implemented, aiming at the integration of the most modern technologies and solutions as well as the design and implementation of digital applications to support operational processes (e.g. in human resources management). The adoption of digital means of cooperation and operation in HCAP continued to be encouraged. Indicatively, the design of advanced controls and security policies to protect critical business assets as well as the evaluation of alternative digital solutions for internal project/programs management have been delivered.



## **B. Company Financial Information**

**Q3 2021**

## B. Separate Financial Statements

The Hellenic Corporation of Assets and Participations S.A. (hereunder “HCAP” or “Company” or “Corporation”) acquired legal personality upon its registration in the General Commercial Registry (GEMI) on 25.10.2016. The Board of Directors of the Corporation convened as a body on 16.02.2017 and therefore 2017 was the starting year of operations, organisation of its structure and its gradual staffing. During that year, the Corporation held shares only in ETAD and HRADF.

From the year 2018 onwards and in accordance with the provisions of Law 4512/2018 and Law 4549/2018, the assets of the Corporation changed through the transfer to HCAP of the Greek State participation in 13 State-owned enterprises (SOEs). As a result, during that year, HCAP recorded for the first time dividend income and profits, while the transfer of these companies necessitated a change in its structure and staffing, a procedure that was underway during 2018 and was almost completed during 2019.

In its first four years of operation, HCAP’s performance in terms of revenue and profitability increased steadily each year, until 2019, when it achieved its record high. This trend that was partially halted in 2020 due to the effects of the pandemic, as certain companies did not distribute dividend in 2020 despite the high profits of 2019 in order to maintain liquidity that would help them cope with this difficult period. Despite the adverse conditions of the years 2020 and 2021, HCAP managed to maintain high levels of profitability.

### Regarding Q3 2021 results (and nine-month period of 2021):

For the third quarter (and nine-months) of 2021, the results are improved compared to the comparative period, mainly due to the recognition of income from dividends and return of capital. More specifically:

- i. During the third quarter of 2021, an income of € 12.25 mln was recognized from the return of capital of EYDAP that took place in September 2021.
- ii. At the same time, as in the previous year, the non-distribution or reduced distribution of dividend by some companies continues in order to maintain liquidity that would help them cope with this difficult period.

Also, the total operating expenses remained stable in relation to the respective comparative period, which is mainly due to:

- i. Reduction of third parties fees as a) during the comparative period of 2020 were increased mainly due to two major consulting projects funded by HCAP for planning of the transformation of the subsidiary ELTA S.A., the project for the design of the program for the productive de-carbonization and development of the Carbon Regions as well as various consulting projects and provided legal services and b) significant consulting projects for 2021 started in the fourth quarter and resulted to the expenditure within the third quarter to appear lower.
- ii. Increase in payroll and management cost as a result of combination of factors such as: a) during the nine-month period of 2020 some positions remained vacant for a period of time, b) during the nine-month period of 2021 due to termination and replacement of members of Company's management, there was an increase in costs due to clearance of the remuneration of outgoing members of the Board of Directors as well as increased meetings and c) during the current nine month period, Company’s personnel was strengthened with additional staff to address to a new model of more active management of its subsidiaries.

Finally, there was a significant decrease in finance income, due to a) the reduction of the rate of return (due to falling interest rates) of its deposits at the Bank of Greece and b) the reduction of the amount of cash in the third quarter of 2021 compared to those of the third quarter of 2020.

Significant subsequent events subsequent after 30.09.2021:

Below are significant events concerning the Company that took place after the reporting date and until the approval of this report. More specifically:

**Unpaid Share Capital:**

As mentioned below, the approved registered share capital of the Company amounts to € 140 mln, of which € 40 mln is the initial share capital (of which € 30 mln is due) and € 100 mln from the share capital increase that took place in December 2020 (amount paid in the same month).

With the decision of 24.09.2021 of the Ordinary General Meeting of the Company, it was decided to pay the remaining amount of €30 mln (Unpaid Share Capital), in order to fully cover the nominal value of 40,000 shares undertaken by the Greek State under Article 187 par. 1 L.4389/2016. The payment of the amount of €30 mln was made within December 2021 and was certified with the meeting of the Board of Directors of the Company from 16.11.2021.

**HCAP's share capital increase in order to participate with the raised funds to the share capital increase of the subsidiary PPC:**

The Board of Directors of the Company based on its 27.10.2021 decision, unanimously decided the Company to participate in the share capital increase of PPC SA, with the necessary amount in order for the Greek State to maintain 34.123% of the share capital of PPC as this occurs from the increase of its share capital and taking into account the percentage of shares of PPC SA. held by HRADF. The Company by submitting a request to the General Meeting of its sole shareholder for share capital increase in accordance with the provisions of articles 191 par. 4 and 192 par. 2 of L.4389/2016, received an advance payment of €135 mln regarding the forthcoming share capital increase. Of this, an amount of €105.7 mln was used to participate to the share capital increase of PPC and €29.3 mln were returned to the Greek State. At the date of approval of this financial report, the formal completion of the share capital increase of HCAP for this issue is pending.



## B.1 Basis of preparation of the Quarterly Financial Report

The interim condensed financial information and financial data presented in the Quarterly Report tally with the Corporation's books and records using the accrual basis of accounting. The amounts presented under the accrual basis have been determined in compliance with International Accounting Standard 34 'Interim Financial Reporting', without the presentation of all the information and disclosures required by IAS 34 for interim financial information.

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

As regards the other data of this financial report, the main policies applied 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 recognised in the period during which the shareholder's right to receive payment is established, i.e. the period when the General Assembly Meeting of each subsidiary that decided on the dividend distribution takes place.

Dividend income is presented in the statement of total comprehensive income as operating income, as they constitute the Company's main source of income. Similarly, in the cash flow statement the cash inflows from dividends are presented as operating activities.

3. Expenses are recognised within the period that the respective liability occurred.
4. Interest income is collected every six (6) months and, as such, the Company's interest income for the respective quarter includes the estimate of the amount of accrued interest relating to this period.
5. The approved registered share capital of the Company amounts to € 140 mln, of which € 40 mln is the initial share capital (of which € 30 mln is due) and € 100 mln from the share capital increase that took place in December 2020.

More specifically, the share capital consists of the initial share capital created with the establishment of the Company under its founding law and amounts to € 40 mln of which € 10 mln have already been paid and the rest is due, resulting in an amount of € 30 mln, to be presented as "Unpaid share capital" in Equity in the Statement of Financial Position in accordance with the provisions of no. 21 par. 3a of Law 4548/2018.

On December 18, 2020, an Extraordinary General Meeting of the sole shareholder of HCAP took place, at which it was decided to increase the share capital of the Company by € 100,000,000 by issuing 100,000 registered shares with a nominal value of € 1,000 each, in order for the Company to participate to share capital increase of the subsidiary ELTA SA. The coverage of the share capital increase by € 100 mln by the Greek State was made in cash on December 21, 2020.

As a result of the above, the Statement of Financial Position on 31.12.2020 and 30.06.2021 reflects as "Paid share capital" the amount of € 110 mln, which is broken down into € 10 mln which is the amount of the initial share capital paid (of which initial share capital remains a due amount of € 30 mln) and € 100 mln relating to the amount paid by the equivalent share capital increase in December 2020.

With the decision of 24.09.2021 of the Ordinary General Meeting of the Company, it was decided to pay the remaining amount of €30 mln (Unpaid Share Capital), in order to fully cover the



nominal value of 40,000 shares undertaken by the Greek State under Article 187 par. 1 L.4389/2016. The payment of the amount of €30 mln was made within December 2021 and was certified with the meeting of the Board of Directors of the Company from 16.11.2021.

6. As regards the Direct subsidiaries transferred by the Greek State directly to the Corporation with no consideration (as per Law 4389/2016), they have been recognized in the financial statements at cost which is nil and are presented at the symbolic value of one (1) euro per subsidiary.

Moreover, on 22 October 2020 by virtue of law 4727/2020, HCAP's Board of Directors decided the establishment of a new direct subsidiary with legal name "5G Ventures S.A." (hereinafter "5G Ventures") and the approval of its Articles of Association. Its sole purpose is the establishment and management of the Mutual Fund of Business Holdings "Phaistos Fund" (hereinafter "Phaistos Fund") of the article 94 of Law 4727/2020, pursuant to article 7 of Law 2992/2002 according to prevailing market conditions and with guarantees of full transparency and accountability and in accordance with the International Financial Reporting Standards ("IFRS"). On January 14, 2021, the company was registered in the General Commercial Registry (GEMI) while its share capital amounted to € 100,000 and was paid by HCAP on 12.02.2021. The participation in 5G Ventures is reflected in the caption of "Investments in Direct subsidiaries" at the acquisition cost, ie € 100,000.

7. Participations in "Other Subsidiaries", as well as other assets or liabilities transferred to HCAP by the Greek State with no consideration as of 01.01.2018 and 01.07.2018, have been recognized in the financial statements at cost which is nil and are presented at the symbolic value of one (1) euro per Other Subsidiary, except for "Folli Follie".

Furthermore, on December 2020 the Extraordinary General Assembly of ELTA S.A. convened having subject of discussion the share capital decrease by writing off the accumulated losses and cancelling the total number of shares, with simultaneous share capital increase by € 100 mln. The amount of € 100 mln regarding the share capital increase of ELTA was deposited from HCAP in ELTA's account. As a result of this increase, HCAP is the sole shareholder of ELTA holding the 100% of its share capital. This development is reflected in the caption "Investment in "Other Subsidiaries" of the Statement of Financial Position at acquisition cost, ie € 100 mln.

The participations transferred by the Greek State directly to the Corporation with no consideration as per Law 4389/2016, relate to the "Direct Subsidiaries" (which were transferred in 2016) and the "Other Subsidiaries" (which were transferred as of 1 January 2018, except for GAIAOSE which was transferred as of 1 July 2018), as well as 5G Ventures established within the first quarter 2021 ("Direct Subsidiary") are analysed as follows:

## A. “Direct Subsidiaries” –participation interest %



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

### Ownership Percentage

	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. (CMFO)	100%	
Thessaloniki Central Market S.A. (CMT)	100%	
Corinth Canal Co. S.A. (AEDIK)	100%	
Hellenic Post S.A. (ELTA)	100%	
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 S.A.	0.96%	

**\*NOTE 1:** HCAP has no powers on HFSF, as the decisions for the accomplishment of its mission and purpose are made exclusively by the relevant bodies of HFSF. Moreover, the governing bodies of the HFSF are not selected by HCAP.

**NOTE 2:** After the share capital increase of PPC SA held in November 2021, HCAP now directly owns 23.8% of its shares.

Additionally:

a) Under Article 350 of Law 4512/2018, “the Greek State's right to collect the dividend arising from to its participation in the share capital of the Société Anonyme under the name "Hellenic Telecommunications Organization S.A." (OTE S.A.) is transferred to HCAP”. The Greek State reserves the right to vote in the General Meeting of OTE for its corresponding shares;

b) based on the provision of Article 198(2) of Law 4389/2016, any property rights, management, and exploitation rights, established financial interests, intangible rights, rights of operation, maintenance, and exploitation of infrastructure — which had been transferred previously to Hellenic Republic Asset Development Fund (HRADF), by virtue of the Decision No 195/2011 of the Interministerial Committee of Restructuring and Privatisations, regarding the right to grant to third parties, by virtue of concession agreements, the rights of administration, management, operation, upgrade, expansion, 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), have been automatically transferred by HRADF to HCAP, without consideration. These rights include any rights of administration, management, and exploitation over movable and immovable assets that are connected to the abovementioned airports, as well as of any spaces/sites 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.

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 Corporation became a guarantor with the 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 September 30, 2021 and for the period 01.07.2021- 30.09.2021 and 01.01.2021- 30.09.2021 are presented in paragraphs B.1.1, B.1.2, B.1.3 and B.1.4 below.

## B.1.1 Statement of Total Comprehensive Income for the period 01.07.2021-30.09.2021 and 01.01.2021-30.09.2021

Statement of Comprehensive Income (amounts in €)	01.07.2021-30.09.2021	01.07.2020-30.09.2020	01.01.2021-30.09.2021	01.01.2020-30.09.2020
Dividend income (note 1)	13,647,500	2,700,000	33,785,417	32,463,595
Payroll and management cost (note 2)	(1,056,045)	(898,706)	(3,239,316)	(2,707,290)
Third party fees (note 3)	(201,629)	(386,032)	(755,931)	(1,432,425)
Other operating expense/ income	(212,341)	(117,409)	(539,909)	(380,591)
<b>Results before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>12,177,485</b>	<b>1,297,853</b>	<b>29,250,261</b>	<b>27,943,289</b>
Depreciation and amortisation	(56,471)	(55,815)	(169,778)	(164,588)
<b>Results before interest and tax</b>	<b>12,121,014</b>	<b>1,242,038</b>	<b>29,080,483</b>	<b>27,778,701</b>
Finance income (note 4)	305,429	421,806	742,417	1,186,217
Finance cost (note 4)	(10,816)	(12,630)	(32,665)	(37,546)
<b>Profit / (loss) before tax</b>	<b>12,415,627</b>	<b>1,651,214</b>	<b>29,790,235</b>	<b>28,927,372</b>
Income tax	-	-	-	-
<b>Net profits</b>	<b>12,415,627</b>	<b>1,651,214</b>	<b>29,790,235</b>	<b>28,927,372</b>
Actuarial gains/ (losses)	-	-	-	-
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>12,415,627</b>	<b>1,651,214</b>	<b>29,790,235</b>	<b>28,927,372</b>

### Notes on the results of the period:

**Note 1- Dividend income:** Following the completion of the Ordinary General Meetings of the companies included in the portfolio of HCAP and their decision to distribute a dividend, in the third quarter HCAP recognized dividend income as follows:

Company	01.07.2021-30.09.2021	01.07.2020-30.09.2020	Variance %	01.01.2021-30.09.2021	01.01.2020-30.09.2020	Variance %
EYDAP*	12,247,500	-	-	25,027,500	20,235,000	24%
OTE	-	-	-	3,310,467	2,664,395	24%
EYATH	-	-	-	4,047,450	4,864,200	-17%
OKAA	1,000,000	1,700,000	-41%	1,000,000	1,700,000	-41%
KATH	400,000	1,000,000	-60%	400,000	1,000,000	-60%
GAIAOSE	-	-	-	-	2,000,000	-100%
<b>Total</b>	<b>13,647,500</b>	<b>2,700,000</b>	<b>405%</b>	<b>33,785,417</b>	<b>32,463,595</b>	<b>4%</b>

\* The return of capital was accounted for as income, as the participation in EYDAP is recognized at acquisition cost which is zero (transfer with no consideration).

**Note 2- Payroll and management cost:** 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. The increase of payroll cost in Q3 2021 and nine-months 2021 is a combination of various factors such as: a) during nine-months 2020 some positions remained vacant for a period of time, b) during nine-month 2021 due to termination and replacement of members of Company's management, there was an increase in costs due to clearance of the remuneration of

outgoing members of the Board of Directors as well as increased meetings and c) during the current nine month period, Company's workforce was strengthened with additional staff to address to a new model of more active management of its subsidiaries.

**Note 3- Third party fees:** Reduction of third parties fees as a) during the comparative period of 2020 were increased mainly due to two major consulting projects funded by HCAP for planning of the transformation of the subsidiary ELTA S.A., the project for the design of the program for the productive de-carbonization and development of the Carbon Regions as well as various consulting projects and provided legal services and b) significant consulting projects for 2021 started in the fourth quarter and resulted to the expenditure within the third quarter seem lower.

**Note 4- financial results:**

- Finance income: decrease in finance income is due to the reduction of the return rate (due to falling interest rates) of its cash held at the Bank of Greece, as well as the reduction of the amount of cash in Q3 2021 compared to that in Q3 2020.
- Finance expense: the most significant part of the finance cost derives from lease contracts that the Company, as a lessee, has recognized as right-of-use assets and lease liabilities and from which depreciation and finance costs derive (instead of rental costs).

## B.1.2 Statement of Financial Position as at 30.09.2021

Statement of Financial Position (in Euro)	30.09.2021	31.12.2020
<b>ASSETS</b>		
Investment in "Direct Subsidiaries" (note 1)	100,003	3
Investment in "Other Subsidiaries" (note 1)	100,000,013	100,000,013
Tangible, intangible and right-of-use assets (note 2)	871,575	975,676
Other non-current assets	35,614	35,209
<b>Total non-current assets</b>	<b>101,007,205</b>	<b>101,010,901</b>
Receivables (note 3)	2,112,451	2,500,555
Other current assets (note 4)	386,653	998,313
Cash and cash equivalents (note 5)	86,101,390	56,094,551
<b>Total current assets</b>	<b>88,600,494</b>	<b>59,593,419</b>
<b>TOTAL ASSETS</b>	<b>189,607,699</b>	<b>160,604,320</b>
<b>LIABILITIES</b>		
Provision for staff leaving indemnities	130,988	104,128
Long-term lease liabilities (IFRS 16) (note 2)	527,366	619,675
<b>Total non-current liabilities and provisions</b>	<b>658,354</b>	<b>723,803</b>
Trade and other payables (note 6)	1,159,918	1,889,525
Dividends payable (note 7)	22,230,477	-
Short-term portion of long-term lease liabilities (IFRS 16) (note 2)	164,410	156,211
<b>Total current liabilities</b>	<b>23,554,805</b>	<b>2,045,736</b>
<b>TOTAL LIABILITIES</b>	<b>24,213,159</b>	<b>2,769,539</b>
<b>EQUITY</b>		
Authorised Share Capital	140,000,000	140,000,000
Less: Unpaid Share Capital	(30,000,000)	(30,000,000)
<b>Paid-up Share Capital</b>	<b>110,000,000</b>	<b>110,000,000</b>
Other reserves	25,583,666	17,619,947
Retained earnings	29,810,874	30,214,834
<b>Total equity</b>	<b>165,394,540</b>	<b>157,834,781</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>189,607,699</b>	<b>160,604,320</b>

### Notes:

- 1 Investments in the "Direct" and "Other" Subsidiaries were transferred to HCAP with no consideration as per Law 4389/2016 and its subsequent amendments. The Company has selected to recognize in the financial statements the participations in Direct Subsidiaries and Other Subsidiaries at cost (which is nil) and to present them at the symbolic value of one (1) euro per participation.

The Company's participation in the newly established direct subsidiary 5G Ventures is reflected in the caption "Investment in Direct Subsidiaries" at an amount of € 100 thousand which corresponds to the amount paid by HCAP as share capital during the establishment of the subsidiary. In addition, the additional amount of € 100 mln is a result of the share capital increase of the subsidiary ELTA SA of € 100 mln which was paid by HCAP on 23.12.2020.

- 2 Following the adoption of IFRS 16 on 01.01.2019, the Company recognized the rights-of-use assets and lease liabilities, which relate mainly to a professional lease agreement in the context of the Company's relocation to new offices.
- 3 Receivables mainly concern the dividend receivable from the subsidiary OKAA amounting to € 1 mln, which was collected in Q4 2021. Also include loans given to subsidiaries "5G Ventures S.A." amounting to € 0.8 mln to cover its operating expenses until the start of its activity and Corinth Canal amounting to 0.3 mln to finance operating costs, due to the suspension of Canal.
- 4 This amount mainly relates to accrued interest income as at period end as well as prepaid expenses.
- 5 Company's cash and cash equivalents on 30.09.2021 amounted to € 86.1 mln and their increase is mainly due to the collection of dividends by the subsidiaries of HCAP.
- 6 This mainly includes trade payables, accrued expenses, withheld personnel tax payables, deductions and social security contributions.
- 7 The General Assembly Meeting of the sole shareholder of the Company for the fiscal year 2020 held on September 24, 2021 decided the distribution of dividend to the Greek State of € 22.2 mln, which was paid in November 2021.

### B.1.3 Statement of Changes in Equity for the period 01.01.2021 - 30.09.2021

Statement of Changes in Equity (in Euro)	Share Capital	Other reserves	Retained earnings	Total
<b>Balance on 01.01.2020</b>	<b>10,000,000</b>	<b>2,553,913</b>	<b>57,178,937</b>	<b>69,732,850</b>
Net results of H1 2020	-	-	27,276,158	27,276,158
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>27,276,158</b>	<b>27,276,158</b>
<b>Balance as at 30.06.2020</b>	<b>10,000,000</b>	<b>2,553,913</b>	<b>84,455,095</b>	<b>97,009,008</b>
Net results of Q3 2020	-	-	1,651,214	1,651,214
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>1,651,214</b>	<b>1,651,214</b>
Dividends distribution	-	-	(42,092,265)	(42,092,265)
Transfer to reserves	-	15,078,893	(15,078,893)	-
<b>Balance as at 30.09.2020</b>	<b>10,000,000</b>	<b>17,632,806</b>	<b>28,935,151</b>	<b>56,567,957</b>
 <b>Balance on 01.01.2021</b>	 <b>110,000,000</b>	 <b>17,619,947</b>	 <b>30,214,834</b>	 <b>157,834,781</b>
Net results of H1 2021	-	-	17,374,608	17,374,608
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>17,374,608</b>	<b>17,374,608</b>
<b>Balance as at 30.06.2021</b>	<b>110,000,000</b>	<b>17,619,947</b>	<b>47,589,442</b>	<b>175,209,389</b>
Net results of Q3 2021	-	-	12,415,627	12,415,627
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>12,415,627</b>	<b>12,415,627</b>
Dividends distribution	-	-	(22,230,476)	(22,230,476)
Transfer to reserves	-	7,963,719	(7,963,719)	-
<b>Balance as at 30.09.2021</b>	<b>110,000,000</b>	<b>25,583,666</b>	<b>29,810,874</b>	<b>165,394,540</b>

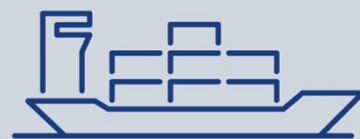
Reserves relate to (a) "Regular Reserve" amounting to €4,853,894, (b) "Reserve from HCAP's retained earnings to be utilised for investments in accordance with paragraph 2 of article 200 of Law 4389/2016 and may be also retained to cover possible future losses" of €20,750,395, (c) "Actuarial Profit / (Loss) Reserve" of € (20,639) and (d) "Reserve from the transfer of participations" of €16.



## B.1.4 Cash Flow Statement for the period 01.07.2021-30.09.2021 and 01.01.2021- 30.09.2021

Cash flow statement (in euro)	01.07.2021- 30.09.2021	01.07.2020- 30.09.2020	01.01.2021- 30.09.2021	01.01.2020- 30.09.2020
Profit before tax)	12,415,627	1,651,214	29,790,235	28,927,372
<u>Adjustments for:</u>				
Depreciation and amortisation	56,471	55,815	169,778	164,588
Provisions	8,953	5,915	26,860	17,746
Losses from destruction/ write-off assets	-	-	31	-
Finance income	(305,429)	(421,806)	(742,417)	(1,186,217)
Finance cost	10,816	12,630	32,665	37,546
<u>Changes in Working Capital:</u>		-		-
(Increase)/ Decrease in Receivables	21,637,684	27,763,595	1,498,104	(1,999,237)
(Increase)/ Decrease in Other Current Assets	87,263	49,815	231,730	155,627
Increase/ (Decrease) in payables	(39,466)	45,170	(729,607)	133,563
<b>Net cash flows from operating activities</b>	<b>33,871,919</b>	<b>29,162,348</b>	<b>30,277,379</b>	<b>26,250,988</b>
Purchase of fixed assets	(5,421)	(1,734)	(32,602)	(22,727)
Collections from disposal of assets	-	-	3,109	-
Interest received	433,668	764,411	1,121,942	1,452,662
Payment for loan to subsidiary	(624,000)	-	(1,110,000)	-
Payment for subsidiary's share capital increase	-	-	(100,000)	-
<b>Net cash flows from investing activities</b>	<b>(195,753)</b>	<b>762,677</b>	<b>(117,551)</b>	<b>1,429,935</b>
Interest and related expenses paid	(2,409)	(2,475)	(6,184)	(5,886)
Payments of lease liabilities	(48,635)	(48,690)	(146,805)	(144,416)
<b>Net cash flows from financing activities</b>	<b>(51,044)</b>	<b>(51,165)</b>	<b>(152,989)</b>	<b>(150,302)</b>
Total net cash inflow/ (outflow) for the period	33,625,122	29,873,860	30,006,839	27,530,621
<b>Cash and cash equivalents at the beginning of the period</b>	<b>52,476,268</b>	<b>70,284,513</b>	<b>56,094,551</b>	<b>72,627,752</b>
<b>Cash and cash equivalents at period end</b>	<b>86,101,390</b>	<b>100,158,373</b>	<b>86,101,390</b>	<b>100,158,373</b>

The net variation in cash and cash equivalents during Q3 and the first nine months of 2021 is due to the timing of dividend collections that occur mainly in Q3, which has low dividend income but very high receipts as companies proceed to pay the dividends approved in Q2.



HELLENIC CORPORATION OF ASSETS AND PARTICIPATIONS

01.07.2021 - 30.09.2021