TERNA TOURIST TECHNICAL AND MARITIME S.A.

85 Mesogeion Ave., 115 26 Athens

General Commerce Reg. No. 8554301000

S.A. Reg. No. 56330/01/B/04/506(08)

ANNUAL FINANCIAL REPORT

for the period

1 January to 31 December 2020

In accordance with the International Financial Reporting Standards

that have been adopted by the European Union

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Contents

I. ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS FOR FY 2020 ON CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Dear shareholders,

In accordance with the provisions of law 4548/2018, article 150 and the Articles of Association of the Company, we submit to you for the closing year from 1/1/2020 to 31/12/2020, the annual report of the Board of Directors.

The present Report contains financial and non-financial information of the Group TERNA for the fiscal year 2020 and describes the most important events that took place before and after the reference date of the financial statements. It also describes the main risks and uncertainties that the Group may face during 2021.

A. Financial Developments and Performance for the year 2020

The rapid spread of COVID-19 from mid-February 2020 resulted in a declaration of March 2020 by the World Health Organization (WHO) as a pandemic. In the context of public health protection, many countries have adopted extraordinary, temporary and costly restraining measures and at the same time many countries have required companies to limit or even suspend their normal business activities.

In particular, the Greek Government, in its effort to reduce cases and deaths to a low level up to the point when it would be possible to vaccinate a large percentage of the population, proceeded to take stricter measures than in other European countries, taking repeated restrictive measures in the fields of tourism, trade, catering and entertainment.

Taking these restrictive measures to tackle the pandemic has led to a significant drop in the country's economic activity. The Greek Government, in order to support the employees and the affected companies, took fiscal measures through combined actions to safeguard employment and the suspension of payments, namely measures that reduced the negative impact on the real economy. The adoption of restrictive measures to address these pandemics resulted in a recession in the Greek economy of 8.2% for 2020, according to the Bank of Greece, while at the Eurozone level the economy contracted by 6.6%.

The global impact of the pandemic has resulted in the European Union being forced to approve € 1.824 billion in funding to help its members deal with the effects of the COVID-19 pandemic on the European economy. Greece is expected to raise € 72 billion, € 31 billion through the Recovery and Sustainability Fund (€ 18 billion in grants, € 13 billion in loans and € 40 billion through the NSRF Cohesion Fund for the period 2021-2027).

Section D, "Risk Factors and Uncertainties" and in particular subsection (2) "Global public health crisis from the coronavirus pandemic (COVID-19)" of the Annual Report presents in detail, the effects of the COVID-19 health crisis on the main operating segments of the Group.

TERNA Group is one of the most significant Greek business groups holding a leading position in the infrastructure segment.

The key consolidated financial figures for 2020 based on the International Financial Reporting Standards compared to the financial figures of 2019, are as follows:

Turnover from continuing operations to third parties amounted to approximately € 505 million, compared with € 695 million in 2019, indicating a decrease of € 190 million.

Turnover, which amounted to EUR 505 million, was attributed by 86.7% to activities in Greece (versus 86.3% in the previous period), by 6.4% to activities in Balkan countries (versus 5.2% in the previous period), by 5.7% (versus 7.3% in the previous period) to activities in Middle East, and by 1.2% to activities in Malta, Libya and W. Europe (versus 1.2% in the previous period).

The backlog of signed construction contracts on 31.12.2020 amounts to about EUR 1,510 million approximately versus EUR 1,553 million at the end of 2019. It is noted that 18.2% (versus 27.1% at the end of the previous year) of the backlog concerns projects executed abroad.

Operating profit before interest, taxes, depreciation and amortization (EBITDA) settled at EUR 9.8 million versus EUR 1.3 million in the previous year. At the same time, earnings before interest and tax (EBIT) settled at losses of EUR 4 million versus EUR 12.2 million in the previous year.

The item "Operating results (EBIT)" is defined as Gross profit, minus Administrative and distribution expenses, minus Research and development expenses, plus/minus Other income/(expenses) included in EBIT. Other Income/(expenses) included in EBIT is defined as the Other income/(expenses) except for the payment and valuation related Foreign exchange differences, the Impairments /(Recoveries of impairments) of fixed assets as presented in Note 35.

The item "EBITDA" is defined as the Operating results (EBIT), plus depreciations of fixed assets, minus the grants amortization, as presented in the attached financial statements.

The Losses before taxes from continuing operations amounted to EUR 15.9 million versus EUR 29.2 million for financial year 2019.

Losses after tax and non-controlling interests amounted to EUR 15.5 million, versus EUR 33.8 million in 2019.

Net Debt of Group (cash and cash equivalents less bank debt) settled on 31.12.2020 at approximately EUR 66.3 million compared to minus EUR 70.1 million on 31.12.2019.

Total Assets of the Group amounted to EUR 900.5 million on 31.12.2020 versus EUR 951.6 million on 31.12.2019.

In Section *«B. Significant Events for the period 01.01 – 31.12.2020»* the significant events of the period are presented in detail as well as the basic financial performance of the operating segments.

B. Significant events for the fiscal year 2020

In 2020, the following significant events took place:

- In January 2020, TERNA S.A. received financing of a total amount of Euro 42 million, out of which Euro 39 million has been allocated to an increase in the share capital of the affiliated company INTERNATIONAL AIRPORT OF HERAKLION CRETE S.A. based on the terms of the concession agreement.

- On 06.02.2020, following satisfaction of the Terms of the Concession Agreement, the Greek State granted the "License for Establishment and Construction of the New International Airport of Heraklion, Crete" to the company INTERNATIONAL AIRPORT OF HERAKLION CRETE S.A. The above date is hereinafter the date of commencement of the concession. The project will be constructed entirely (100%) by the company TERNA SA. The contractual duration of the concession period is set at thirty-five (35) years from the date of commencement of the concession and includes a five-year construction period. It is noted that after the commencement date of the concession and in accordance with the provisions of the concession agreement, the percentages of participation in the share capital were formed in: TERNA SA. 32.46%, GMR Airports Limited 21.64%, and Greek State with 45.9%. The above percentages are valid from 06.02.2020.

- On 10.2.2020 among TERNA SA and the company "Development of Frangoklisia SA", a contract was signed for the development of a single office building in Frangoklisia, Attica. The contractual object amounts to Euro 3.5 million, which after the signing of a supplementary contract on 29.9.20 amounts to Euro 12.9 million while the construction duration is 14 months.

- On 30.03.2020, TERNA SA announced that in a joint venture with SIEMENS (association of companies SIEMENS - TERNA) was declared contractor of the project «Study, Supply and Installation of Two Conversion Station and one sub-station for Crete-Attica Electric Interconnection”. As announced by "Ariadne Interconnection", subsidiary of ADMIE Group and project operator, the total budget of the project amounts to Euro 370 million. From this amount, Euro 358.6 million relates to the construction of conversion stations and Euro 11.4 million to their maintenance. The contract was signed on 29.05.2020 and it has duration of 36 months. The contractual object to be executed by TERNA amounts to approximately Euro 113.0 million.

- On 31.8.2020 among the Joint Venture of the companies AVAX - INTRAKAT - MYTILINEOS - TERNA and the Ministry of Immigration Policy, a contract was signed for the "Construction of a new, upgrade - repair of an existing Artificial Barrier and accompanying projects, along the border of the Greek-Turkish Border in region of Evros” of total contractual object Euro 50.8 million. And with a construction duration of 8 months. The corresponding contract for TERNA SA amounts to Euro 12.7 million.

- On 15.09.2020 between TERNA SA and the companies "SOLAR PARKS WEST. MACEDONIA TWO SA " and "SOLAR ARROW ONE SA", operators of the project, a contract was signed for the "Design, civil engineering works, supply, transport, installation and commissioning of a 14.99 MW photovoltaic station at Xiropotamos in the Municipality of Eordea and a Substation 33 KV / 150 KV outdoor type ", of total contractual object Euro 11.5 million and with a duration of 14 months.

- On 27.10.2020 with a decision of the Minister of Infrastructure, in the framework of the Concession Agreement of the project "Study Construction, Financing, Operation, Maintenance and Exploitation of the IONIA ODOS Motorway", it was assigned to the Concessionaire company NEA ODOS SA the execution of additional works, with a total object of Euro 105 million, including the corresponding VAT.

- Similarly, on 27.10.2020, by decision of the Minister of Infrastructure, in the framework of the Concession Agreement of the project "Study, Construction, Financing, Operation, Maintenance and Exploitation of the Central Greece Motorway E65", it was assigned to the Concessionaire company the execution of additional works regarding the flood protection of the highway, totaling to Euro 70 million including the corresponding VAT.

- On 22.12.2020 among TERNA SA and DESFA, a contract was signed for the "Detailed Design, Supply and Construction for the upgrade of the Compression Station in Nea Mesimvria", with a total contractual object of Euro 15.6 million and with a contract-duration of 27 months.

- TERNA SA, during the year 2020 signed various small contracts as well as additional contracts and extensions of already signed projects in the previous years, amounting to Euro 135 million.

- For the solution of claims from both sides, which arose from the execution of the project "Megalopolis Power Plant - Design, Supply, Transfer, Installation and Commissioning of Unit No. 5 Combined Cycle, Net Power at Reference Conditions 811 MW, with Natural Gas Fuel / - 11072251 ", whose contractor is the Consortium METKA SA - TERNA SA, the BoD of PPC with no. 137/15.12.2020 relevant decision approved the result of the Amicable Settlement between PPC and the above contractor, and particularly: a) the payment to the Contractor Consortium, amounting to Euro 15,074,787 interest-free, , in full and unconditional repayment of all types of receivables of the Contractor Consortium, b) the receipt by PPC of all delivered and non-invoiced spare parts which the Contractor offered without consideration and c) the return by PPC of all the letters of guarantee of the said contract.

  It is noted that this amount had already been invoiced to PPC and by the date of preparation of the financial statements has been fully collected.

C. Significant Events after the end of the period 01.01 – 31.12.2020

Since 01.01.2021 and up until the approval date of the accompanying financial statements, the following significant events were noted:

- On 18.01.2021, the European Commission approved the financing, by the Greek State of the construction of the northern part of the E65 motorway, with the amount of Euro 442 million. The project is part of Central Greece Motorway (E65), which has been granted with a Concession Agreement to the affiliated company CENTRAL GREECE MOTORWAY SA and which will be executed by the constructive Consortium CENTRAL GREECE MOTORWAY (E65). The approval was given following the notification submitted by the Greek State of a state aid measure towards the European Commission’s General Directorate of Competition, by which the Greek State activated its rights and expressed interest in fully financing the construction of Deferred Section B or "ATB", which includes the subdivisions A / K Trikala - A / K Grevena (32,450km) and A / K Grevena - A / K Egnatia "(30,610km). It is expected the signing of the Amendment of the Concession Agreement and its approval by the Parliament, in order to start, within 2021, the construction works.

- Following the catastrophic earthquake of 03.03.2021 that struck the municipality of Tyrnavos, which resulted in irreparable damage to the school in Damasi Tyrnavos, TERNA SA applied to make a donation for the construction of a new school, replacing the old one.

- On 08.03.2021 TERNA SA signed with the company SEGER GREECE SA, a contract for the execution of the project "Renovation and reuse of MIRAMARE Hotel in Moraitika, Corfu", with a contractual object of Euro 7.8 million and a construction-duration of 5 months.

- On 23.03.2021 TERNA SA signed with the National Railway Infrastructure Company of Bulgaria (NRIC) for the construction of the project "Construction of railway infrastructure and electrification of the Petrarch - Dragoman section and design, construction and supervision by the designer of the signaling and telecommunications of the part Voluiak - Dragoman ", with Budget Euro 154.7 million and with a construction period of 48 months.

D. Risk Factors and Uncertainties

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

1) Financial risk

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

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

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

Credit risk

Credit risk is the possibility that counterparty will cause financial loss to the Group and the Company due to the breach of its contractual obligations.

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

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

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

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

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

Foreign exchange risk

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

(Amounts in thousands Euro, unless otherwise stated)

The Group operates in Greece, Balkans and Middle East, according to historical data and therefore may be exposed to foreign exchange risk that may arise from Euro exchange rate with other currencies.

Regarding construction projects in the Balkans: the contractual receivables, liabilities to key suppliers (concrete, iron products, asphalt, concrete, stratifiers, etc.) and subcontractors are mainly agreed in euro and therefore the exposure to foreign exchange risk is limited. In addition, the Bulgarian lev (BGN) has a stable exchange rate against the euro.

Regarding construction projects in the Middle East, contractual receivables, liabilities to key suppliers (concrete, iron products, asphalt, concrete, stratifiers, etc.) and subcontractors are contracted in local currencies, which are firmly linked to the USD and, therefore, there is exposure to foreign exchange risk from changes in the US dollar exchange rate against the Euro.

Interest rate risk

Interest rate risk is the probability that the fair value of a financial instrument's future cash flows will fluctuate due to changes in market interest rates.

The Group's policy is to minimize its exposure to the interest rate risk of long-term financing. Under this policy, medium-term loans are mainly in Euro, with fixed spread and a floating base interest rate linked to Euribor.

The biggest component of the Group's short-term debt is in Euro at a floating base interest rate linked to Euribor. Short-term loans are mainly issued either as working capital or for the initial financing of the construction of the Group's investments.

On 31.12.2020, 100% of the Group's total debt bares floating interest rate (of fixed spread).

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

Sensitivity analysis of interest rate risk

The following table presents the sensitivity of the period's result against the Groups short-term debt and deposits, towards a change in the floating interest rates amounting to +/-20% (2019: +/-20% as well). The changes in interest rates are estimated to be logical in relation to the current market conditions and until now they have been consistent with the previous year.

	2020		**2019**	
	20%	-20%	20%	-20%
Net earnings after income tax (from interest bearing liabilities)	(0.4)	0.4	(14.5)	14.5
Net earnings after income tax (from interest earning assets)	0.5	(0.5)	36.4	(36.4)

The Group is not exposed to other interest rate risks.

Market risk analysis

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

Liquidity risk analysis

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations when required. The Group's liquidity risk is kept low.

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

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

Risks from the current economic conditions existing in Greece

As it has already been noted, Greek economy has been affected by the conditions precedent due to Covid-19 pandemic, bearing as a result a certain recession for the current year of 8.2%. The Greek government estimates for 2021 mention that the economic conditions will be rapidly improved as a result of that an increase in the GDP will be noted by 4.2% recovering thus half of 2020 losses.

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

2) Global public health crisis from the coronavirus pandemic (COVID-19)

TERNA Group is one of the most significant Greek business groups, holding a leading position in infrastructure segment. The Management considers that the Group operates in the segments that are more defensive during the phases of the economic cycle. Furthermore, during the financial crisis in Greece (i.e. the most difficult and longest financial crisis in Europe), the Group has already demonstrated its ability to grow and strengthen its market position.

At the end of December 2019, the new coronavirus strain SARS-CoV-2, which causes coronavirus disease (COVID-19), appeared in China. In the following months, coronavirus (COVID-19) spread rapidly worldwide and on March 11, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a pandemic. The COVID-19 pandemic has led to an unprecedented crisis in global health and the economy. In Greece, the virus was first detected in late February 2020, leading to a national quarantine. In early May, a gradual easing of quarantine restrictions began, which lasted until June. During the summer, however, the increase in COVID-19 cases in Greece led to the early end of the tourist season and the resumption of restrictive measures. Measures of limited reopening of the stores were implemented during the festive period of Christmas. Throughout the pandemic, the Group constantly acts based on the instructions and decisions of all relevant bodies, complying with the requirements and the action plan adopted by the Greek authorities.

In the context of public health protection, many countries have adopted extraordinary, temporary and costly restraining measures (some countries have required companies to reduce or even suspend their normal business activities). The Greek Government, in an effort to keep cases and deaths low to the point where a large percentage of the population could be vaccinated, has taken stricter measures than in other European countries, taking repeated restrictive measures in the fields of tourism, trade, catering and entertainment. To support workers and businesses, it has taken fiscal measures through combined measures to safeguard employment and suspend payments, to measures that have reduced the negative impact on the economy.

According to the Bank of Greece, all these measures resulted in a recession in the Greek economy of 8.2% for 2020, while at the level of the Eurozone, the economy contracted by 6.6%.

The global impact of the pandemic has resulted in the European Union being forced to approve Euro 1.824 billion in funding to help its members deal with the effects of the COVID-19 pandemic on the European economy. Greece is expected to raise Euro 72 billion, Euro 31 billion from all of this funding through the Recovery and Sustainability Fund (Euro 18 billion in grants, Euro 13 billion in loans and Euro 40 billion through the NSRF Cohesion Fund for the period 2021-2027.

The health crisis from the coronavirus pandemic (COVID-19) has led the world economy to a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far, as the situation is evolving. The economic impact will depend on the duration and intensity of the recession, as well as the prospects for recovery. To address the health and, consequently, economic aspects of the pandemic, governments around the world have already launched ongoing mass vaccination programs to reach the entire population and build the required immune wall, which will lead to a regularity. Based on the fact that the pandemic has not yet been fully controlled, in combination with the presence of virus mutations that alter the transmissibility of the virus and the effectiveness of vaccines, this risk remains among the main risks of the Group.

The Management of the Group with an extremely high sense of responsibility, towards its customers, employees, suppliers, partners and investors, monitors the developments regarding the coronavirus pandemic (COVID-19), studying the possible risk factors that could affect the financial position, activities and results of the Group.

(i) Group Organizational Planning

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

Extremely strict rules of operation have been adopted at all points of presence and operation of the Group in Greece and abroad, in order to constantly ensure the highest possible level of safety for everyone.

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

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

The Group has taken all the necessary measures in order to facilitate the development of its basic activities, continuing uninterruptedly its construction activities, strengthening its efforts aimed at stabilization of the Greek economy and employment. In detail per segment:

- **Constructions operating segment**

In the Constructions operating segment there were delays, despite the fact that none of the existing signed contracts were canceled. In particular, for some projects there was a short-term suspension of work due to measures to avoid cases due to COVID-19. With the passage of the time limit that concerned the outbreak of the pandemic, the construction works resumed, without though achieving the planned execution rate.

Regarding the existing delays that occurred, the Group does not face the risk of non-compliance with the contractual schedules, as the relevant deadlines are extended accordingly. It should be noted that the construction contracts also include relevant terms regarding force majeure events, providing an additional contractual level of security regarding the progress of the projects and their performance / compensation.

The credit risk in the context of the coronavirus pandemic is limited to the possibility that customers will not meet the agreed repayment terms. Within 2020, there were no significant delays in repaying the invoiced works. However, if there is even a possible moderate delay in receipts in 2021, the Management estimates that it could not create a cash problem in the sector.
This assessment of the management is based: (a) on the fact that the owner of most of the construction projects undertaken by the Group is the Greek State and bodies of the Greek State, as well as public bodies abroad having in most cases uninterruptedly secured resources, e.g. European resources or resources secured by concession companies which have outsourced construction projects to the Group's subsidiaries, (b) to reliable customers with high financial potential and (c) to the existence of financial measures in place to support the economies of European countries by European Central Bank (ECB) to mitigate the economic impact of the coronavirus.
It should be noted that, despite the extraordinary circumstances due to the global public health crisis, the Greek State has not currently announced the suspension of any award process, as an initiative to support the Greek economy in practice.
The need to boost the economic recovery as a result of the COVID-19 crisis, according to the competent Minister of Infrastructure and Transport, requires the initiation of major projects, which is one of the immediate priorities of the Greek Government. Towards this end, the intention of the Greek Government is to change the institutional framework of the tender procedures, in order to speed up the licensing to include in the law of strategic investments the large infrastructure projects, which exceed Euro 13 billion, of which a significant part is estimated to be executed by the Group.

A significant delay in the implementation of the tender procedures due to a change in priorities by the Greek State, would create significant problems in the industry, and consequently in the construction sector of the Group.
TERNA SA is in an advantageous position due to (a) its dominant position in the construction industry, combined with the experienced and proven effective management team, and (b) the strong financial position of the company, in order to support the timely completion of all projects that has and / or will take over.

- **Quarry / Industry Operating Sector**

The activity of the sector in the extraction and processing of magnesite and then in the production of magnesite products, which are almost entirely exported to various countries, has decreased significantly due to the COVID-19 pandemic, as a result of the problems created in the transfer of goods in customers.

As a result, the subsidiary TERNA LEFKOLITHI drastically reduced the production of products in anticipation of the normalization of the market, while at the same time proceeded to redesign the production process for the optimal use of the existing stocks of magnesite for mining and the existing equipment.

Summary

The coronavirus pandemic (COVID-19) has led the world economy into a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far, as the situation is evolving. The economic impact will depend on the duration and intensity of the recession as well as the prospects for recovery. Management estimates that the Group's operations, financial performance, cash flows and financial position will not be significantly affected. In any case, the Management ensures the maintenance of the smooth operation both in the Greek territory and in the other countries where the Group operates, applying procedures of continuous identification and evaluation of all risks that may arise in the near future. In direct, continuous and systematic cooperation with the Risk Managers and the executives of the Group, the Management plans and implements measures to deal with any identified risk in order to limit its negative effects to the minimum possible. The organizational efficiency of the Group and the continuous care of the Management to use its managers by project and special subject, depending on the required ability and experience have created a proven capable, flexible and effective mechanism for dealing with any possible crisis in any company of the Group and if it appears. Due to this basic principle is attributed the immediate reaction of the Management and the above mechanism for dealing with the epidemic crisis with prudence, calm and strategic perspective.

3) Other risks and uncertainties

<u>Backlogs of the construction contracts</u>

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

Tender procedures' evolution

With the law 4782/2021, which was published on 9.3.2021, it was reformed the existing regulatory framework for public contracts, of the law 4412/2016, which incorporates in Greek law Directives 2014/24/EU(L94/65) and 2014/25 /EU(L94/243) as well as laws 3433/2006 (A' 20), 3883/2010 (A' 167) and 3978/2011 (A' 137) which regulate issues of public agreement in the sectors of defense and security. According to the explanatory memorandum with Part A ', the provisions of law 4412/2016 are reformed, which constitutes the existing regulatory framework for issues of public contracts of procurement, services and projects in order to simplify and clarify the provisions, reduce bureaucracy, increase the effectiveness of public contracts' award and execution procedures, the expansion of the use of electronic tools (e-procurement), the increase of the participation of small and medium-sized enterprises in public contracts' procedures and the treatment of pathogens, such as the issue of too low bids and the excessive attachment to formality versus the substance of the offers. Law 4412/2016 presented a number of problems that had been identified by the contracting authorities as well as the economic operators. The effort to address them has been fragmented and, in many cases, insufficient. It is characteristic that the provisions of law 4412/2016 had been amended more than 300 times. However, the current economic situation has led to the need to increase the efficiency of the procedures for the preparation, award and execution of public contracts in order to speed up the relevant procedures, while improving the quality of goods, services and works supplied to the State without discounts in the terms of transparency and integrity. In addition, the effectiveness of the public contracts system is expected to strengthen the capacity of the Greek State to make public investments but also to faster absorption and utilization of EU funds and financial facilities, in particular, in view of the NSRF 2021-2027 program period and the exploitation of Recovery and Resilience Fund's (RRF) capabilities for the support of reorganization and strengthening the resilience of the economies of the Member States of the European Union against crises. The realization of the above objectives will be seen in the implementation of the above institutional framework.

Furthermore, the Hellenic Competition Commission on 08.01.2021, having in mind article 11 of Law 3959/2011 for regulatory intervention in sectors of the economy, decided ex officio to initiate the relevant procedure in the construction sector and proceeded in sending relevant questions for provision of information from the companies of the construction industry. The Hellenic Competition Commission published on 7.4.2021 its preliminary views regarding the conditions of competition in the construction sector and invites any interested party to contribute to the public consultation on the text of its views. The duration of the consultation lasts from 08.04.2021 until 07.05.2021 and the Group processes its active participation in it with the aim, among other things, of highlighting any incorrect data on the text of the Competition Commission.

E. Non-Financial Information Report 2020

Introduction

This present Non-Financial statement relates to the fiscal year ended on the 31st of December 2020. The Statement has been prepared in accordance with the provisions of the Law 4403/2016 and includes information on the performance of the Terna Group of Companies related to the following areas, as defined in section 7 "Report (Statement) Non-Financial Information" of Circular

62784/2017, in accordance with the clauses of l.4403/2016 of the Ministry of Economy and Development (currently Ministry of Development and Investments):

- Business model/Main non-financial risks
- Combating corruption and related issues with bribery
- Supply Chain issues
- Respect for human rights
- Social and labor issues
- Environmental and energy issues

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

The content of the present report of non-financial information has been compiled taking into account the Standards GRI and the Standard SASB “Engineering & Construction Services, 2018”.

In addition in the current report it is included the thematic aspect “Impact of the COVID-19 pandemic on non-financial issues”

Business Model

TERNA Group is one of the largest business Groups in Greece with presence as well in Central and Southeastern Europe and the Middle East.

It operates in the fields of infrastructure, production, and mining activities.

The current construction backlog of the Group remains at the high level of Euro 1.5 billion.

Indicator C-G1: Sustainable development supervision

As a socially responsible Group, it combines its business activity with long-term value creation, giving priority to people, environment and society. In this direction, the Group's goal for 2021 is to include in the supervision of the Board the issues of sustainable development in order to discuss them during the meetings.
Throughout its history, the Group has built relationships of trust with all its stakeholders, remaining faithful to the principles that govern its business operation, throughout the execution of its operations and activities:

- Respect for people and the natural environment.
- Creating value for our employees, partners, customers and shareholders.
- Honesty and reliability.
- Targeted social offer.

Indicator SS-E7: Cancellations and delays of works

There were no cancellations of construction contracts, but there was a temporary pause of works on some (2) construction sites and a delay in execution of work in 2020 due to the COVID-19 pandemic.

The presence and the activities of the Group

Infrastructure

Countries: Greece, Bulgaria, Serbia, Romania, Qatar, Bahrain, Cyprus, Albania, UAE, Saudi Arabia, Iraq

TERNA Group operates in the construction sector for almost half a century. TERNA (www.terna.gr) was founded in 1972 and constitutes one of the strongest Greek construction companies, specializing in complex and demanding infrastructure projects, a partner of international groups, with experience inside and outside Greece but also with significant synergies with the other actions of the Group in concessions and energy.

The proven experience of TERNA SA in the execution of large construction projects of road construction, building, port and large energy projects, as well as its established presence in the markets where it operates make it one of the most recognized technical companies.

Concessions Self/Co-Financed Projects

Country: Greece

The Group has a dynamic presence in the construction, management and commercial operation of concession projects.

- Participates with a percentage of 32.46% in the concession company INTERNATIONAL AIRPORT OF HERAKLION CRETE S.A. CONCESSION that has undertaken the project of design, construction, operation, maintenance and exploitation of the New International Airport of Heraklion, Crete. The concession period is 35 years (which includes 5 years of construction period).

Energy Production

TERNA Group operates in the energy segment through the company HERON II.

- **Thermal Energy**

Country: Greece

TERNA Group operates in the production of thermal energy through its participation in HERON II VOIOTIA, in the share capital of which participate as well ENGIE (former GDF Suez) and QATAR Petroleum, two leading worldwide energy entities.

The company **HERON II SA** (www.heron.gr) operates in the fields of production, supply and trading of electric power. It operates two thermal-electric power production plants with installed capacity of 435 MW HERON II in Voiotia.

Industry Segment

Country: Greece

The Group also has mining activity mainly through TERNA LEFKOLITHI SA (www.ternamag.com), which specializes in the mining of magnesite and magnesite products and has almost exclusively export activity.

Main non-financial risks

Sustainable Development issues	Recognized risks	Group mitigation policies
Combating corruption and related issues with bribery	• Incidents of corruption, bribery, extortion	• Applies Code of Ethics and Conduct • Monitors on a daily basis the correct implementation of the Code of Ethics and Conduct • Organizes targeted training and updates on the Code of Ethics for all employees. • Provides the ability to notify reports regarding possible discrepancies or concerns with the implementation of the Code. • Evaluates discrepancies and takes the necessary legal action.
Supply chain issues	• Incidents of violation of international standards or legislation related to the practices of its suppliers but also cases of suppliers who may not adopt common policies and values with the Group. • Risk of corruption in the supply chain. • Risks of non-support of local and domestic suppliers (e.g. loss of social cohesion, loss of social / local support and consequently reduction of economic development and prosperity of these areas).	• Complies with relevant insurance and labor legislation. • Implements the regulatory framework related to Health and Safety at work. • Adopts principles for the protection of human rights. • Implements internal policies, procedures, standards and certified Management Systems.
Respect for human rights	• Risk of occurrence of human rights' violations, beyond its supply chain and within the limits of its own activities. • Risks arising from non-compliance with the current human rights regulatory framework, such as a possible crisis of social solidarity and prosperity.	• Applies international standards and human rights principles. • Implements control mechanisms through the Human Resources Department.
Social and labor issues	• Risk of non-equal opportunities, fair pay and adequate health and safety	• Increases its social - economic footprint. • Implements the Remuneration and Benefits Policy approved by the shareholders. • Enhances diversity.

	conditions. • Potential health and safety risks for each job. • Potential social and environmental risk involved in the execution of its activities for the local communities in which it operates. • Potential economic and social effects associated with the reduction of employment in the country (e.g. unemployment) and the negative indirect economic effects it may cause.	• Provides equal training and education opportunities. • Implements Health and Safety Policy. • Implements a Privacy Policy and the use of cookies
Environmental and energy issues	• Environmental risks related to the activities of its companies and which may cause adverse effects both on stakeholders (e.g. local communities) and on the wider natural environment (e.g. effects on land, water, in the air and in ecosystems in general). • Potential effects of non-protection of biodiversity could be water and air pollution. • Threat to human health and food security. • Risk of bankruptcy. • Risks associated with the phenomenon of Climate Change.	• Compliance with applicable legal and other requirements • Identification and evaluation of environmental aspects that are related to the company's activities • Defining environmental and energy goals and achieving them through approved programs • Ensuring adequate resources to achieve environmental and energy goals • Implementation of Environmental and Energy Management Systems. • Responsible Energy Management. • Tackling Climate Change. Biodiversity protection and conservation.

Combating corruption and related issues with bribery

Due diligence and other policies

Indicator C-G2: Business ethics policy

IF-EN-510a.3: Description of policies and practices to prevent (1) bribery and corruption and (2) anti-competitive conduct in project bidding procedures

Code of Ethics and Conduct

Combating corruption is a key pillar of the Group's operation, which has been committed to demonstrating zero tolerance for such incidents, by promoting transparency, ensuring business ethics and regulatory compliance that are diffused across the range of activities and affect the professional behavior of its people. To this end, the Group acts through the establishment of policies and procedures, but also through the creation of control mechanisms and compliance with these policies. In particular, the Group:

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

Code of Conduct

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

The content of the Code is in accordance with the general principles set out in the International Regulations and Conventions as well as the international standards ISO 9001, ISO14001, ISO 45001, ISO 39001, ISO 19600, ISO 37001, ISO 50001 and SA 8000. The Code’s implementation extends to all companies and subsidiaries of the Group at a national and international level, applies to all activity areas and is taken into consideration in the partnerships as well as consortia in which it participates.

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

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

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

The Head of Regulatory Compliance is responsible for the investigation and evaluation of any complaint received, and thereafter, takes all the necessary corrective actions in the context of applicable law and the Group's policies.

In case of discrepancies in the Code's implementation, the legal actions provided by the current institutional framework and the Labor Code, may include the cessation of cooperation, the imposition of a fine and / or criminal clause as well as the activation of civil and criminal proceedings.

Results of the above policies and non-financial performance indicators

ISO 37001: 2016 and ISO 19600: 2014

The Group applies the standards ISO 37001 for the combat of bribery and ISO 19600 for regulatory compliance and the certification is anticipated within May 2021. TERNA SA has been certified for both standards.

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

Indicator SS-G1: Violation of business ethics

IF-EN-510a.2: Total amount of monetary losses as a result of litigation related to categories of (1) bribery or corruption and (2) anti-competitive practices

In 2020, there were no confirmed corruption incidents that came to the attention of the Group's management, either through complaints or through the audits performed by the Group itself in the context of preventing and combating any corruption incidents.

In addition, there was no pecuniary damage caused as a result of breaches of business ethics.

Supply chain issues

Due diligence and other policies

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

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

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

Terms of cooperation with suppliers

Indicator C-S7: Suppliers' evaluation

The responsible supply chain management is positioned in the center of the Group's effort to create a long-term value through its business operations but also through forming responsible business relations with its suppliers and partners. The Group recognizes that the responsible management of the supply chain presupposes responsible collaborations with mutual contribution and open dialogue among all parties involved.

In this regard, the Group communicates the minimum requirements for cooperation and ensures that its cooperating suppliers comply with environmental, energy and social criteria such as the international standards namely ISO 14001 and ISO 50001 to implement policies and procedures for the protection of the environment and society as a whole, to have materials and equipment that, in addition to their suitability and usability to carry as well the lowest possible risk to the user and the environment, to be environmentally friendly and belong to a high energy class of low energy consumption. Necessary requirements for cooperation with any supplier are the full compliance with the regulatory framework relating to Occupational Health and Safety as well as compliance with the Group's Code of Conduct.

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

Prioritizing domestic suppliers

The Group has expanded, up until today, its activities to 14 countries and 3 continents, with a constantly growing development and a strong potential of expanding into new markets. Despite its strong extroversion, the Group firmly chooses to cooperate with local suppliers. In this way, the Group enhances its direct and indirect socio-economic footprint across the whole range of the supply chain, through the support of areas in which it operates and the stimulation of local economies. By selecting to cooperate with local suppliers, it creates positive effects beyond its direct activities, with the creation of new indirect jobs while contributing to the enhancement of social cohesion and prosperity.

Respect for human rights

Due Diligence and other policies

Indicator C-S5: Suppliers' evaluation

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

- Implements the international standards and principles of Human Rights.
- Implements monitoring mechanisms through the Human Resources Department.

Respect for international standards and principles

The Group applies and respects the international Human Rights principles and standards. The Universal Declaration of Human Rights, the UN Universal Pact, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, the UN Global Compact, the United Nations Guiding Principles at Work and the high corporate values that the Group stands for, form a strict operational framework with respect for human rights across all its business activities. The Group is committed to the timely prevention and detection of any action that does not comply with its operating framework for the protection of Human Rights. It protects the right of every person to education and freedom of speech, to the freedom of association and any other human rights that may be infringed as a result of or as part of its business activities and therefore applies control procedures that ensure there is no violation of fundamental human rights. The Group does not currently have a human rights policy but is in the process of adopting such a policy.

Monitoring mechanisms

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

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

Results of the above policies and non-financial performance indicators

GRI 406-1: Total number of discrimination cases and corrective actions taken

In 2020, no incidents of human rights abuses and / or violations or discrimination based on race, religion, gender, age, disability, nationality, political beliefs, etc., including incidents of harassment, were reported in all of the Group's activities.

Social and Labor Issues

Due Diligence and other policies

Through the adoption of responsible policies aimed at creating shared value for all its stakeholders, the TERNA Group stands as a helper in the development of local communities in which it operates and with which it interacts, through continuous consultation and efforts to identify and address the real needs currently prevailing but as well as through its operation.
The TERNA Group actively participates, supports and regards the investment in its people as a highest priority, providing the necessary resources for the promotion of the continuous improvement of the working environment.
The Group, for the management of social and labor issues:

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

Direct and indirect social impacts

The Group ensures the continuous improvement of its direct and indirect socio-economic impacts. The multiplier benefits of its business are being translated into thousands of new jobs, strengthening the national economy and GDP, through the payment of taxes and insurance contributions, the strengthening of local communities through partnerships with local suppliers, service providers and the implementation of Corporate Social Responsibility actions as well as the optimization of the investment image of our country abroad.

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

Fair compensation and benefits

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

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

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

Promoting diversity

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

Training and Education Policy

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

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

Health and Safety Policy

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

Maintaining Health and Safety is a priority for the Group and it constantly improves the strategic framework within which the management of the related issues to the protection of Health and Safety of all its stakeholders is conducted.

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

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

- the implementation of an internationally certified Health and Safety Management System,
- the formation of a corporate culture governed by the principles of Health and Safety,
- the full compliance with legal and other national, European and international requirements, directives and provisions relating to the field of Health and Safety,
- the implementation, monitoring, evaluation and improvement of Health and Safety activities,
- the identification of occupational risks and development of a comprehensive prevention methodology, the prevention of injuries, diseases and adverse health and safety incidents,
- providing proper, adequate health and safety information and training to all employees, suppliers, partners and visitors,
- the compliance and unwavering adherence to H&S procedures by all stakeholders,
- the immediate investigation of any accident / incident, the factors' assessment and taking precautionary measures,
- the integration of technologies, good practices and operating procedures that guarantee safety conditions for employees, subcontractors and third parties.

Privacy Policy and use of cookies

Indicator C-G3: Data security policy

For the TERNA Group, the protection of the personal data of individuals who trade in any way with its companies is of primary importance. For the purposes of conducting business activities, the Group processes personal data relating to natural persons for whom identification data is obtained (such as, for example, the company's customers, suppliers, shareholders and investors, as well as ordinary users of the website), in accordance with the European legislation on the General Data Protection Regulation (GDPR 2016/679) and law 4624/2019.

We take appropriate measures to protect the personal data that we process and to ensure that their collection and processing is always carried out in accordance with the obligations set by the legal framework, both by the company itself and by third parties who process personal data on behalf of the company. In addition, the BoD, during its meetings, is informed on a regular basis on data security issues.

Privacy Policy Principles

All the processing of the Organization's personal data must be carried out in accordance with the principles of personal data protection as set out in Article 5 of the GDPR, which are as follows:

- Personal data must be processed lawfully, fairly and transparently.
- Personal data may only be collected for specific, clear and lawful purposes.

• Personal data must be adequate, relevant and limited to what is necessary for processing.

• Personal data must be accurate and up to date and efforts must be made to delete or correct it without delay.

• Personal data must be kept in such a way that the data subject can only be identified if it is necessary for processing.

• Personal data must be processed in a secure manner

• The person responsible for processing must be able to demonstrate compliance with the other principles of the GDPR (Accountability Principle).

Results of the above policies and non-financial performance indicators

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

Environmental and Energy Issues

Due Diligence and other policies

IF-EN-160a.2: Discussion of the procedures for assessing and managing environmental risks related to project design, installation and construction

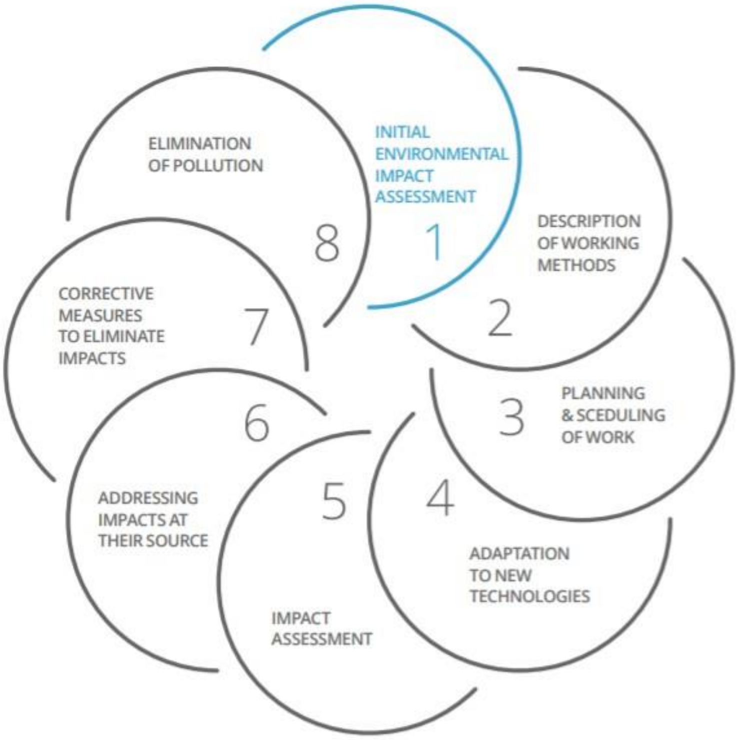
Environmental protection is an integral part of the Group's strategy and is expressed through its political, strategic and business decisions and actions. The Group acts purposefully and takes measures to reduce its negative environmental footprint through the responsible energy management and the proper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

In particular, the Group's environmental strategy includes:

- setting environmental and energy goals and achieving them through approved programs
- securing appropriate resources to achieve environmental and energy objectives
- implementation of Environmental and Energy Management System,
- responsible energy management processes,
- tackling Climate Change,
- protection and preservation of Biodiversity.

Environmental and Energy Management System

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



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

- evaluation of the compliance degree with the requirements of the current legislation,
- evaluation of the responsiveness degree to the Group's customer requirements,
- evaluation of the compliance degree with the requirements of the Environmental and energy Management System of the Group's companies,
- evaluation of the compliance degree with the requirements of the international standard ISO 14001:2015 and ISO 50001:2018,
- identification of points that need improvement and reinforcement,
- improvement of the implementation of the Management Systems and the Risk Management Systems.

Responsible for energy management

Regarding its operation, the Group understands that only through the systematic recording and monitoring of energy consumption in offices and construction sites will be able to assess its energy needs and proceed into mitigation of its activities' energy consumption. For this reason, TERNA SA, proceeded to certification according to the international standard ISO 50001: 2018 to achieve the above, as well as the most rational energy management of their operations. The Group's goal for 2021 is to continue the integration of even more facilities in the data collection process, as well as to expand and further deepen the methodology it applies regarding the collection of this data.

Infrastructure and low energy footprint equipment

IF-EN-410a.1: Number of projects (1) commissioned in 2020 and (2) active and certified by third-party multi-attribute sustainability standards.

The existence of infrastructure and equipment with low energy footprint is a priority for the Group. To this end, the Group implements projects with bioclimatic design and is certified by systems that certify that the buildings it constructs are designed based on environmentally innovative practices aimed at energy saving, such as the Completion of the Construction of a Nine-storey Offices-Stores Building and Park station on 115 Kifisias Avenue. The specific building received the Leed v4 for Core & Shell certification at the Platinum level. Furthermore, the Group invests in the renewal and maintenance of its equipment, aiming at improving energy efficiency and increasing their useful life.

Employee training on environmental issues

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

Tackling climate change

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

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

Monitoring and mitigation of greenhouse gas emissions

The Group's business model is strategically oriented towards tackling climate change.

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

Biodiversity protection and conservation

Indicator SS-E4: Water management

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

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

Among others, the Group, both during the construction and operation phases of its projects, prepares in collaboration with specialized scientists and bodies, Environmental Impact Studies (EIA), Special Ecological Assessment Studies (SEAS), Special Ornithological Studies (SOS) as well as Monitoring Programs aimed at obtaining and utilizing the necessary information to ensure the protection of local ecosystems, with the assumption of protective measures and remediation of impacts.

In particular, in order to ensure the biodiversity and mitigate the negative effects of the projects on the environment, the EIA and the relevant approved Environmental Conditions of the projects define measures to ensure the protection of ecosystems. Typical examples are the construction of uneven passages or tunnels for the unimpeded passage of wildlife, planting projects, slope formations from the excess excavation materials of the project, projects to ensure the smooth flow of surface water, Leakage of hazardous liquid waste, elaboration of hydraulic studies that will determine the measures for protection from erosion of the natural slopes of the wider project area, installation of automatic stations for measuring air pollution and winds as well as sound protection works on the area adjacent to the project.

In particular, the Group:

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

Results of the above policies and non-financial performance indicators * IF-EN-160a.1: Non-compliance number of cases with environmental licenses, standards and regulations

The Group applies the certified Environmental Energy System, according to the international standard ISO 14001 to most of its subsidiaries: TERNA, TERNA LEFKOLITHI, and HERON. During 2020 there were no incidents of non-compliance with environmental licenses, standards and regulations

Impact of COVID-19 pandemic on non-financial issues

The actions of the TERNA Group during the period of public health crisis

At a time when the country needs more than ever the social face of companies at its side, the TERNA Group was again at the forefront taking immediate measures to ensure the health and safety of its employees, supporting the National Health System and ensuring its smooth operation always with a view to the next day.

The complete Business Continuity Plan of the Group

Demonstrating increased reflexes, the TERNA Group immediately implemented the integrated Business Continuity Plan, which had already been prepared with the aim of ensuring the smooth operation of the Group in case of crisis, having as a top priority the health and safety of its people around the world.

Following closely the developments on the pandemic front and taking into account the increase of cases and the instructions of the State, the Group decided and provides free diagnostic molecular detection of the virus to all its human resources.

The Business Continuity Plan of the TERNA Group includes strict operating rules in all points of its presence in Greece and abroad, while its implementation is monitored daily by a special working group set up to deal with the pandemic and in which Group executives participate as well as specialized scientific collaborators. The Plan envisages, inter alia, a program of remote or shift work, special care for vulnerable workers, drastic reduction of trips to the absolutely necessary, as well as meetings and / or physical events, making use of all capabilities offered by technology, drafting procedures for the protection of personnel during their work during the period of COVID-19 (Operating Procedures), as well as the supply of sufficient quantities of personal protection measures such as masks, gloves, antiseptics for all personnel.

It is worth noting that from the first phase of the health crisis, in addition to the measures proposed by the Authorities and which were followed faithfully and with absolute success in all facilities around the world, the Group ensured the safe repatriation of hundreds of its executives, employees in its projects that are implemented outside Greece, even with specially chartered flights, where this was deemed necessary.

F. Estimated course and Evolution

The parent company TERNA of the Group is one of the largest business groups in Greece, with a presence also in the Balkans and the Middle East. It is mainly active in the field of infrastructure.

The construction backlog of the Group at the date of preparation of the Financial Statements amounts to Euro 2.1 billion including signed and new contracts to be signed.

The Greek economy at the beginning of 2020 was in a growth course according to confirmed estimates by competent bodies, with which to predict the acceleration of the growth rate.

The continued growth of both the Greek and world economies has been re-tested by the emergence and spread of COVID-19, the impact of which on economic activity cannot be accurately assessed at this stage, as it is not yet known the duration and extent of the spread of this phenomenon, despite the fact that the discovery of vaccines against COVID-19 has given a new perspective for the second half of 2021 and for the coming years.

It is worth noting, however, that the strengthening of investment activity in the sectors in which the TERNA Group (Infrastructure Constructions) operates are a priority of both the Greek state and the European Union in the effort for economic recovery and dealing with the economic impact of the

COVID-19 pandemic. Infrastructure projects, through the high multiplier effect, contribute significantly to GDP growth and boost employment.

In the year 2021 the TERNA Group will continue to implement its strategy for continuous development in the Greek and international markets in the Construction sector. The goal is to maintain its leading position in the Greek market and to pursue its sustainable development in foreign markets, in order to achieve a satisfactory dispersion of business risk and to maintain the return on its capital at a satisfactory level. The prospects for achieving the targets for 2021 and beyond are positive given that:

In the Construction Operating Segment:

The Group, through TERNA SA, has been active in the field of construction for almost half a century, both in the Middle East and Southeast Europe, in the execution of large, complex and wide range of public and private projects, large budget and complex know-how, such as road and rail networks, buildings, hospitals, museums, industrial facilities, hydroelectric projects, dams, industrial facilities, power plants, etc.

The prospects for the coming years point to the improvement of the financial figures of the sector, since the construction works' backlog is maintained at high levels, amounting on 31.12.2020 to approximately Euro 1.5 billion and at the date of preparation of the financial statements by including signed and new contracts to be signed at Euro 2.1 billion, according to the assurances of the competent Minister, the intention of the Greek Government is to change the institutional framework of the tender procedures, in order to speed up the licensing in order to be included in the law of strategic investments major infrastructure projects, which exceed Euro 13 billion.

At the same time, the existence of synergies that will result from the execution of new investments within the Group, will assist in the direction of the improvement of the financial figures of the sector.

It should be noted that the execution of the above projects will bring significant positive multiplier results to the Greek Economy.

The Group, with the consistency and the high sense of corporate social responsibility that distinguishes it, will remain a leader in the construction sector and will seek to increase the financial size of the sector, while creating satisfactory profits for the benefit of its shareholders, according to its business planning, despite the temporary adverse conditions created from the beginning of 2020 until the end of them, since the outbreak of the COVID-19 coronavirus pandemic.

In the Quarries/Industry Operating Segment:

The Group is also active in the extraction and processing of magnesite and in the industrial production of Caustic and Burning magnesite products through the subsidiary TERNA LEFKOLITHI SA, an activity mainly exporting (www.ternamag.com).

Despite the negative results during the current year in the industrial sector, the company, having already redesigned its operational activities, in order to reduce the cost of products manufactured estimates that in the future the industrial sector will become profitable.

Dear Shareholders,

2020 was a year during which the Group continued its stable trend of development. Moreover, the Group carefully continues implementing its investment plan, by simultaneously maintaining adequate liquidity.

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

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

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

Athens, 26th of April 2021

On behalf of the Board of Directors,

Michail Gourzis

Chairman of the BoD

II. INDEPENDENT AUDITOR'S REPORT

To the Shareholders of TERNA TOURIST TECHNICAL AND MARITIME S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated Financial Statements of TERNA TOURIST TECHNICAL AND MARITIME S.A. (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2020, the separate and consolidated statements of comprehensive income, changes in equity and cash flows statement for the year then ended, and a summary of significant accounting principles and methods and other explanatory notes.

In our opinion, the abovementioned separate and consolidated Financial Statements present fairly, in all material respects, the financial position of TERNA TOURIST TECHNICAL AND MARITIME S.A. and its subsidiaries (together the "Group") as at December 31, 2020, and its financial performance and the consolidated Cash Flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Basis for Opinion

We performed our audit in accordance with the International Standards of Auditing (ISA), as these have been integrated to the Greek Legislation. Our responsibilities, under those standards are described in the "Auditor's Responsibilities for the Audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece and we have fulfilled our responsibilities in accordance current legislation requirements and the requirements of the aforementioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises of the Board of Directors Report, for which reference is also made in section "Report on Other Legal and Regulatory Requirements", but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Management for the separate and consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statement

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

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

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

statements. We are responsible for the direction, supervision and performance of the Company and its subsidiaries' audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Matters

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, the management is responsible for the preparation of the Board of Directors' Report, the following is to be noted:

a) In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Article 150 and 153, L. 4548/2018, and its content corresponds to the accompanying separate and consolidated financial statements for the year ended as at 31/12/2020.

b) Based on the knowledge we obtained from our audit for the Company TERNA TOURIST TECHNICAL AND MARITIME S.A. and its environment, we have not identified any material misstatement to the Board of Directors report.

Athens, 26 April 2021

The Chartered Accountant

Dimitra Pagoni

SOEL Reg. No. 30821

Grant Thornton

An instinct for growth™

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

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III. ANNUAL FINANCIAL STATEMENTS SEPARATE AND CONSOLIDATED FOR THE YEAR THAT ENDED ON 31 DECEMBER 2020 (1 January - 31 December 2020)

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

The Financial Statements were approved by the Board of Directors of TERNA TOURIST TECHNICAL AND MARITIME S.A. on 26th April 2021 and have been published by being posted on the internet at the website http://www.terna.gr where such will remain available for at least 10 years from their issue and publication.

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(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION ON 31st DECEMBER 2020

		GROUP		COMPANY	
	Note	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Non-current assets					
Intangible fixed assets	8	33,394	34,823	1,184	994
Right of use assets	9	8,511	25,899	6,539	23,100
Tangible fixed assets	10	103,756	89,008	52,284	40,290
Goodwill	7	3,025	3,025	0	0
Investment property	11	8,061	8,160	7,438	7,536
Participations in subsidiaries	5,12	0	0	123,529	117,768
Participations in joint ventures	5,13	57,069	15,237	57,659	16,139
Investment in equity interests	19	12,230	12,176	8,172	8,118
Other long-term assets	14	39,505	115,068	60,057	126,923
Deferred Tax Assets	31	22,218	25,384	14,445	17,114
Total non-current assets		**287,769**	**328,780**	**331,307**	**357,982**
Current assets					
Inventories	15	18,045	22,365	6,437	6,189
Trade receivables	16	160,819	238,299	186,557	231,848
Receivables from contracts with customers	17	98,728	80,026	77,008	61,164
Advances and other receivables	18	54,480	61,141	63,466	65,735
Income tax receivables		12,886	21,093	12,506	19,767
Cash and cash equivalents	20	267,726	199,944	177,795	113,966
Total current assets		**612,684**	**622,868**	**523,769**	**498,669**
TOTAL ASSETS		**900,453**	**951,648**	**855,076**	**856,651**
EQUITY AND LIABILITIES					
Share capital	29	55,460	55,460	55,460	55,460
Share premium account		62,702	62,702	62,702	62,702
Reserves	30	57,135	54,391	53,802	52,778
Retained earnings		(87,831)	(71,565)	(21,782)	518
Total equity attributable to the owners of parent		**87,466**	**100,988**	**150,182**	**171,458**
Non-controlling interests		20,922	7,770	0	0
Total equity		**108,388**	**108,758**	**150,182**	**171,458**

(Amounts in thousands Euro, unless otherwise stated)

Non-current liabilities					
Long-term loans	21	103,869	152,387	102,749	151,446
Liabilities from leases	22	3,857	5,143	3,411	4,160
Other long-term liabilities	27	121,905	25,371	115,492	31,484
Other provisions	24	10,301	12,307	9,101	11,107
Provisions for staff leaving indemnities	23	3,617	4,935	2,868	3,384
Grants	25	14,052	14,185	0	0
Liabilities from derivatives	28	0	1,053	0	1,053
Deferred tax liabilities	31	6,691	6,553	492	518
Total non-current liabilities		**264,292**	**221,934**	**234,113**	**203,152**
Current liabilities					
Suppliers	26	171,189	198,521	149,742	175,961
Short term loans	21	89,054	94,179	89,054	64,094
Long term liabilities payable during the next financial year	21	7,893	16,657	7,856	6,348
Short-term part liabilities from leases	22	2,834	9,548	2,262	8,596
Liabilities from contracts with customers	17	213,820	252,086	182,486	184,029
Accrued and other short term liabilities	27	40,146	48,620	36,820	42,586
Short-term part of liabilities from derivatives	28	0	380	0	380
Income tax payable		2,837	965	2,561	47
Total Liabilities		**527,773**	**620,956**	**470,781**	**482,041**
Total Liabilities		**792,065**	**842,890**	**704,894**	**685,193**
TOTAL EQUITY AND LIABILITIES		**900,453**	**951,648**	**855,076**	**856,651**

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

(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR FISCAL YEAR 2020

		GROUP		COMPANY	
	Note	**1.1-31.12.2020**	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Turnover	32	504,725	694,674	445,082	600,074
Cost of sales	33	(470,876)	(662,710)	(415,998)	(573,111)
Gross profit/(loss)		**33,849**	**31,964**	**29,084**	**26,963**
Administrative and distribution expenses	33	(33,772)	(36,597)	(24,895)	(23,909)
Research and development expenses	33	(1,177)	(1,354)	(1,017)	(1,051)
Other income/(expenses)	35	(8,784)	(6,889)	2,556	(2,719)
Results before taxes, financing and investing activities		**(9,884)**	**(12,876)**	**5,728**	**(716)**
Net financial income/(expenses)	37	(6,529)	(7,131)	(3,835)	(3,105)
Profit / (loss) from sale of participations and securities		160	(205)	(140)	(205)
Profit / (loss) from valuation of participations and securities	36	0	0	(18,645)	(18,121)
Profit / (loss) from the consolidation of joint ventures under the equity method	5,13	307	(8,951)	0	0
Earnings/(Losses) before taxes		**(15,946)**	**(29,163)**	**(16,892)**	**(22,147)**
Income tax	31	(6,941)	(14,155)	(5,408)	(5,997)
Net Earnings/(losses) after taxes		**(22,887)**	**(43,318)**	**(22,300)**	**(28,144)**
Other Comprehensive Income/(Expenses)					
a) Amounts that will be reclassified in the Income Statement of subsequent periods					
Valuation of cash flow hedging contracts	28	759	(759)	759	(759)
Translation differences from incorporation of foreign entities		3,760	(595)	2,795	(394)
Tax corresponding to the above results	31	(182)	183	(182)	182
Total		**4,337**	**(1,171)**	**3,372**	**(971)**
b) Other Comprehensive Income/(expenses) that will be not transferred to Income Statement in subsequent periods					

Valuation of investments in equity interests	19	107	1,970	107	1,970
Actuarial gains/(losses) on defined benefit pension plan	23	161	(55)	87	(49)
Proportion in Other comprehensive income of joint ventures	5,13	4	(2)	0	0
Tax corresponding to the above results	31	(63)	(452)	(47)	(453)
Total		**209**	**1,461**	**147**	**1,468**
Net Other Comprehensive Income		**4,546**	**290**	**3,519**	**497**
TOTAL COMPREHENSIVE INCOME		**(18,341)**	**(43,028)**	**(18,781)**	**(27,647)**
Net earnings/(losses) attributed to:					
Shareholders of the parent		(15,543)	(33,806)		
Non-controlling interests		(7,344)	(9,512)		
Total comprehensive income/(losses) attributed to:					
Shareholders of the parent		(11,026)	(33,517)		
Non-controlling interests		(7,315)	(9,511)		

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

(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR 2020

		GROUP		COMPANY	
	Note	**1.1-31.12.2020**	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Cash flows from operating activities					
Profit/(loss) before tax		**(15,946)**	**(29,163)**	**(16,892)**	**(22,147)**
Adjustments for the agreement of the net flows from the operating activities					
Depreciation	8,9,10	13,989	13,600	9,732	9,655
Fixed assets grants amortization	25	(153)	(81)	0	0
Provisions		1,731	(6,373)	304	(6,860)
Impairments		5,307	11,929	19,100	21,927
Other non-cash expenses/(revenue)		(2,185)	(604)	(6,142)	(230)
Interest and related revenue	37	(5,212)	(6,209)	(6,460)	(7,680)
Interest and other financial expenses	37	12,416	12,666	10,969	10,111
Results from derivatives	37	(674)	674	(674)	674
Results from associates and joint ventures	13	(307)	8,951	0	0
Results from participations and securities		(160)	205	139	205
Results from investment property		98	230	98	230
Results from fixed assets		(604)	434	(270)	(399)
Foreign exchange differences		5,541	(710)	3,351	(352)
Cost of stock options valuation	30	479	0	479	0
Operating profit/(loss) before changes in working capital		**14,320**	**5,549**	**13,734**	**5,134**
(Increase)/Decrease in:					
Inventories		(448)	(2,789)	(436)	1,901
Trade receivables		65,951	89,070	30,429	79,304
Prepayments and other receivables		(12,711)	27,968	(3,460)	27,858
Increase/(Decrease) in:					
Suppliers		(28,838)	(52,561)	(22,935)	(48,270)
Accruals and other liabilities		58,215	(117,365)	81,603	(104,141)
Income tax (Payments)/Receipts		(823)	1,996	(236)	808
Net cash flows from operating activities		**95,666**	**(48,132)**	**98,699**	**(37,406)**
Cash flows from investing activities					
Proceeds from disposals of fixed assets		1,620	2,022	672	991
Payments for purchases of fixed assets		(10,146)	(12,705)	(3,654)	(3,826)
Interest and related income received		2,583	4,540	2,564	4,520
Payments for acquisition or increase in participating interest in associates and joint ventures (JVs)	13	(41,520)	(3,000)	(41,520)	(3,000)

(Amounts in thousands Euro, unless otherwise stated)

Proceeds from sale of shares, bonds and other securities		199	0	199	0
Receipts of Dividends		0	919	0	0
Proceeds from issued loans		84,609	77,274	84,609	85,250
Issued loans		0	(36,702)	(10,320)	(50,582)
Net cash flows for investing activities		**37,345**	**32,348**	**32,550**	**33,353**
Cash flows from financing activities					
Payments from changes in subsidiaries without loss of control	12	0	0	(24,655)	(21,248)
Receipts from increase of share capital		0	11,700	0	11,700
Receipts from increase of share capital in subsidiaries from non-controlling interests		20,467	5,256	0	0
Proceeds for short term loans	21	50,620	21,852	50,620	21,831
Payments for short term loans	21	(41,768)	(9,306)	(26,747)	(7,347)
Proceeds for long term loans	21	106,590	31,131	96,000	30,100
Payments for long term loans	21	(178,858)	(53,109)	(142,923)	(51,684)
Payments for leases		(10,011)	(8,994)	(9,094)	(7,850)
Interest and other financial expenses paid		(10,992)	(10,518)	(9,741)	(8,176)
Payments for hedging derivatives		(374)	(182)	(374)	(182)
Net cash flows from financing activities		**(64,326)**	**(12,170)**	**(66,914)**	**(32,856)**
Effect of foreign exchange rate differences in cash		(903)	408	(506)	334
Net increase /(decrease) of cash and cash equivalents		**67,782**	**(27,546)**	**63,829**	**(36,575)**
Cash and cash equivalents at the beginning of the period	20	199,944	227,490	113,966	150,541
Cash and cash equivalents at the end of the period	**20**	**267,726**	**199,944**	**177,795**	**113,966**

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

(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR FISCAL YEAR 2020

COMPANY	Note	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2020		**55,460**	**62,702**	**52,778**	**518**	**171,458**
Total comprehensive income		0	0	3,519	(22,300)	**(18,781)**
Granting stock options	30	0	0	479	0	**479**
Formation of reserves		0	0	(2,974)	0	**(2,974)**
31st December 2020		**55,460**	**62,702**	**53,802**	**(21,782)**	**150,182**

COMPANY	Note	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2019		**52,210**	**54,252**	**52,281**	**28,698**	**187,441**
Total comprehensive income		0	0	497	(28,144)	**(27,647)**
Issue of Share Capital		3,250	8,450	0	(36)	**11,664**
31st December 2019		**55,460**	**62,702**	**52,778**	**518**	**171,458**

(Amounts in thousands Euro, unless otherwise stated)

GROUP	Note	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
1st January 2020		**55,460**	**62,702**	**54,391**	**(71,565)**	**100,988**	**7,770**	**108,758**
Total comprehensive income		0	0	4,517	(15,543)	**(11,026)**	(7,315)	**(18,341)**
Share capital increase of subsidiaries		0	0	0	0	**0**	20,467	**20,467**
Granting stock options	30	0	0	479	0	**479**	0	**479**
Formation of reserves		0	0	(2,252)	(723)	**(2,975)**	0	**(2,975)**
31st December 2020		**55,460**	**62,702**	**57,135**	**(87,831)**	**87,466**	**20,922**	**108,388**

GROUP	Note	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
1st January 2019		**52,210**	**54,252**	**53,914**	**(37,534)**	**122,842**	**12,025**	**134,867**
Total comprehensive income		0	0	289	(33,806)	**(33,517)**	(9,511)	**(43,028)**
Issue of Share Capital		3,250	8,450	0	(37)	**11,663**	0	**11,663**
Share capital increase of subsidiaries		0	0	0	0	**0**	5,256	**5,256**
Formation of reserves		0	0	188	(188)	**0**	0	**0**
31st December 2019		**55,460**	**62,702**	**54,391**	**(71,565)**	**100,988**	**7,770**	**108,758**

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

NOTES ON THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION FOR THE GROUP AND THE COMPANY

"TERNA TOURIST TECHNICAL AND MARITIME S.A." (the "Company" or "TERNA"), as renamed from LITHOS SOCIETE ANONYME COMPANY by virtue of the decision dated 6.11.2008 by the Extraordinary General Shareholders Meeting, which was published in the Government Gazette Issue 14207/30.12.2008 (SA & LTD Issue), is registered in the Société Anonyme Registrar of the Athens Prefecture, under Reg. No.56330/01/B/04/506(08). The company's duration has been set to ninety (90) years.

On 23.12.2008 it was approved, the merger through absorption of the construction activities' part of the company TERNA TOURIST TECHNICAL AND MARITIME S.A., and at the same time the increase of the share capital by 28,388,000.00 euro which in total amounted to Euro 28,910,000.00 divided into 289,100 common registered shares, with a nominal value of 100.00 Euro each.

On 28.06.2013 the merger through absorption of the company HERON HOLDINGS S.A. was approved, as well as the increase of the share capital by 11,100,000 euro, which now amounted to a total of euro 40,010,000.00 divided into 400,100 common registered shares with a nominal value of 100.00 euro each.

The Extraordinary General Meeting of the Company's shareholders on 23.12.2015 approved the increase of the share capital by an amount of twelve million two hundred thousand (12,200,000) Euro via the issuance of one hundred twenty two thousand (122,000) new common registered shares, with nominal value of one hundred (100) Euros per share and with offering price of three hundred seventy five (375) Euros per share or equivalent with capital proceeds of forty five million seven hundred fifty thousand Euros (45,750,000 €). The difference between the nominal value and the offering price of the shares was credited in the "Share premium" account.

With the decision of the Ordinary General Meeting of Shareholders on 27 June 2017, it was approved the reduction of the share capital by an amount of fifteen million five thousand and one hundred fifty four Euros (15,005,154) through the reduction of the nominal value per share from one hundred (100) Euro to seventy one Euro and twenty six cents (71.26) and the return of the amount of reduction, namely twenty eight Euros and seventy four cents (28.74) per share, to the Shareholders with a simultaneous share capital increase of the Company by the amount of fifteen million five thousand and one hundred fifty four Euros (15,005,154) via the capitalization of part of the share premium related special reserve and with the increase of the nominal value per share from seventy one Euro and twenty six cents (71.26) to one hundred (100) Euro.

With the Extraordinary General Meeting of the Company's shareholders dated 28.11.2019, it was decided to increase the share capital by the amount of three million two hundred and fifty (3,250,000) Euros, with the issuance of thirty two thousand five hundred (32,500) new common registered shares, nominal value of one hundred (100) Euro each and with a sale price of three hundred and sixty (360) Euro per share. The difference between the nominal value of the share and the disposal price was placed on the account of "Share Premium".

Thereafter, the Company's share capital amounts to fifty-five million four hundred and sixty thousand (55,460,000) Euros divided into five hundred and fifty four thousand six hundred (554,600) common nominal shares with a nominal value of one hundred (100) Euros.

The basic sector in which the Company and Group are active is constructions. TERNA S.A. holds a 7th grade construction certificate and its main activity is to undertake and carry out public and private construction projects of any kind. According to the legislation in effect, companies that hold a 7th grade construction certificate may undertake public projects of over 35 million Euros. There is no upper limit to the budget of the projects that the Group may independently undertake. The Group's construction activities now extend beyond Greece, in the Balkans and the Middle East.

Moreover, TERNA owns and manages a quarry and trades and supplies its construction segment with inert materials.

The Group is engaged in the production of quarry products and in the extraction and processing of magnesite, namely in the production of magnesite based products, through the licenses and mining concessions it holds via the subsidiary company TERNA LEFKOLITHI SA.

The Management estimating that the demand for magnesite products will be high in the coming years, has already implemented the largest part of a considerable investment program of total estimated amount of Euro 100 million in its self-owned facilities at Mantoudi Evia for the extraction and processing of magnesite, the production of caustic magnesia (CCM), DBM and MDH through its subsidiary TERNA LEFKOLITHI SA.

Furthermore, the Group through its participation in HERON II VIOTIA, continues its activities in the production of electric energy from thermal sources.

The consolidated financial statements of TERNA are included in the consolidated financial statements of its parent GEK TERNA SA, which during the balance sheet date, owned 100% of its share capital.

2 BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Basis for the preparation of the Financial Statements

The Company's consolidated and separate Financial Statements as of 31.12.2020 covering the financial year starting on January 1st until December 31st 2020, have been prepared according to the International Financial Reporting Standards (IFRS), which were published by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union until 31.12.2020.

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

2.2 Going concern

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

The health crisis from the coronavirus pandemic (COVID-19) has led the world economy to a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far, as the situation is evolving. The economic impact will depend on the duration and intensity of the recession as well as the prospects for recovery. The impact from COVID-19 is not expected to be significant for the Group and the Company. Management has assessed that there is no substantial uncertainty regarding the continuation of the Group and the Company's activity.

2.3 Basis of measurement

The accompanying separate and consolidated financial statements as of December 31st 2020 have been prepared according to the principle of historical cost, apart the from investment property, financial derivatives and investments in equity securities which are measured at fair value.

2.4 Presentation currency

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

2.5 Comparability

Comparative figures recorded in the Financial Statements for the year ended on 31.12.2019 have not been restated

2.6 Use of estimates

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

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

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

2.7 New Standards, Interpretations and Amendments to Standards

The accounting principles applied for the preparation of the financial statements are the same as those applied for the preparation of the annual financial statements of the Group and the Company for the year that ended as at 31 December 2019, apart from the adoption of amendments of certain accounting standards, whose application was mandatory in the European Union for fiscal years beginning as at January 1st, 2020 (see Noted 2.7.1 and 2.7.2).

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

The following new Standards, Interpretations and amendments of Standards that have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01.01.2020 or subsequently.

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

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify in respect to specific some guidance. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of management, prudence and measurement uncertainty in financial reporting. The revisions do not have application on the consolidated and separate Financial Statements.

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

In March 2018, the IASB issued Amendments to References to the Conceptual Framework of Financial Reporting, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework of Financial Reporting. The objective of these amendments is to update those references and to support transition to the revised Conceptual Framework of Financial Reporting. These amendments do not have application on the consolidated and separate Financial Statements.

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

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgments. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now was included in other Standards. The amendments do not have application on the consolidated and separate Financial Statements.

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

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank rates. In addition, the companies are required to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments do not have application on the consolidated and separate Financial Statements.

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

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business combination or acquisition of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the IASB through the respective issuance provides as well supplementary guidance. The amendments were taken into consideration for the assessment of the acquisition conducted in fiscal year 2020 (see note 7).

Amendments in IFRS 16 «Leases» related to Covid-19 Rent Concessions (applied o annual periods beginning on or after 01.06.2020)

In May 2020, the IASB issued amendments to IFRS 16 which allowed tenants not to assess whether a Covid-19 rent concession is classified as a lease amendment. More specifically, the amendments clarify that if specific conditions are met, tenants are not required to assess whether specific rent concessions related to Covid-19 constitute lease amendments. On the contrary, tenants applying this practice will adopt an accounting treatment for such leases as if they do not constitute lease amendments. The above applies to rent concessions related to Covid-19, which reduce lease payments due on or before June 30, 2021. The amendments have no effect on the consolidated Financial Statements.

2.7.2 New Standards, Interpretations, revisions and amendments of current Standards which have not entered into force or have not been approved by the European Union

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), but have not yet entered into force or have not been adopted by the European Union.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform– Phase 2" (applied on annual periods beginning on or after 01.01.2021)

In August 2020, the IASB completed the assessment and response process to the reform of interbank interest rates and other interest rate benchmarks by issuing a series of amendments to five Standards. The amendments complement those issued in 2019 and focus on the impact on the Financial Statements when a company replaces the old benchmark rate with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in contractual cash flows of financial assets, how it will account for a change in hedging relationships as a result of the reform, and related information that it will need to disclose. The Group will consider the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have been adopted by the European Union with date of entry into force on 01.01.2021.

Amendments in IFRS 3 "Business Combinations", in IAS 16 "Property, Plant and Equipment", in IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and in the "Annual Improvements 2018 – 2020" (applied for annual periods beginning on or after 01.01.2022)

In May 2020, the IASB issued a series of amendments, including limited-purpose amendments to three Standards, as well as the Council's Annual Improvements. These amendments provide clarification regarding the wording of the Standards or correct minor consequences, omissions or inconsistencies between the requirements of the Standards. More specifically:

- **The amendments to IFRS 3 "Business Combinations"** update a reference to IFRS 3 to the Conceptual Framework of the Financial Reporting without amending the accounting requirements relating to business combinations.
- **Amendments to IAS 16 "Property, Plant and Equipment"** prohibit a company from deducting from the cost of fixed assets amounts received from the sale of items produced during the preparation of those fixed assets to be ready for use. Instead, the company recognizes these sales revenues and related costs in the Income Statement.
- The **amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** determine the costs that a company should include in assessing whether a contract is loss-making.
- **The Annual Improvements of IFRS - Cycle 2018-2020** make minor amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial

Instruments", IAS 41 "Agriculture" and on the explanatory examples accompanying IFRS 16 "Leases".

The Group will consider the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (effective for annual periods starting on or after 01.01.2023)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, the amendments clarify one of the classification criteria for a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. In addition, in July 2020, the IASB issued an amendment to postpone by one year the effective date of the amendment originally issued in IAS 1, as a result of the spread of the Covid-19 pandemic. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENTS

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

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

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

3.1 Significant judgments of the Management

Key judgments carried out by the Management during the application of the accounting policies of the Group and Company which have the most significant impact on the financial statements (besides those analyzed in Note 3.2) are analyzed below.

i) Recognition of deferred tax assets

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

In order to determine the amount of a deferred tax asset for recognition, significant judgments and estimates are required from the Group's Management, based on future tax profits combined with future tax strategies to be pursued as well as the uncertainties dominating various tax frameworks, within which the Group operates (for further information please refer to Note 31).

ii) Impairment of non-financial assets and goodwill

Non-financial assets are tested for impairment whenever events or changes in the effective conditions demonstrate that their book value may not be recoverable in accordance with the accounting policy described in Note 4.6. The goodwill is examined for impairment at least on an annual basis.

3.2 Uncertainty of estimates and assumptions

Specific amounts that are included or affect the Financial Statements and the related disclosures are estimated through requirement to make assumptions about values or conditions that cannot be known with certainty at the Financial Statements preparation date. An accounting estimate is considered significant when it is material to the financial position and results of the Group and requires most difficult, subjective or complex management judgments. The Group assesses such estimates on an ongoing basis, based on historical results and experience, meetings with specialists, applying trends and other methods considered reasonable in the specific circumstances, as well as projections regarding potential changes of those in the future.

i) Recognition of revenue from construction contracts

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

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

ii) Useful lives of depreciated assets

In order to calculate depreciation, in every reporting period, the Group examines the useful life and residual value of tangible and intangible assets in the light of technological, institutional and economic developments as well as the experience arising from their exploitation. As at 31.12.2020, the Management estimates that useful lives represent the expected usefulness of assets.

iii) Fair value adjustment of investment property

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

iv) Fair value measurement

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

The Management bases its assumptions on observable data, but this is not always feasible. In such cases, the Management uses the best available information for its estimates, based on its past experience and taking into account available information. Estimated fair values may differ from the actual values that would be made in the ordinary course of transactions as at the reporting date of the financial statements (further information is presented in Note 42).

The Group uses derivative financial instruments to manage a series of risks into which are included risks related to interest rates and prices of goods. For the purpose of establishing an effective hedging relationship, the Group requires both to state its hedging strategy and to assess that the hedge will be effective throughout the duration hedging instrument (derivative). Additional information on the use of derivatives is provided in Note 28.

v) Inventory

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

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

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

vii) Provision for personnel compensation

Based on IAS 19, the Group makes estimates of the assumptions underlying the actuarial valuation of provision for personnel compensation. The provision amount for personnel compensation is based on an actuarial study. The actuary's study includes specific assumptions on discount rate, employees' remuneration increase rate, consumer price index increase and the expected remaining working life. The assumptions used are imbedded with significant uncertainty and the Group's Management continuously reassesses these assumptions (for further information please refer to Note 23).

viii) Provision for income tax

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

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

For specific transactions and calculations, the final tax determination is uncertain. The Group recognizes liabilities for the forecasted tax issues based on calculations as to the extent to which additional tax will arise. In cases where the final tax amount differs from what had been initially recognized, the differences affect the provisions for income tax and deferred tax for the period when it had been determined (for further information please refer to Note 31).

ix) Contingent liabilities and receivables

The existence of contingent liabilities and receivables requires the management to make assumptions and judgments on on-going basis about the probability that future events will occur or not occur as well as the possible consequences that these events may have on the Company's operations. Determining contingent liabilities and receivables is a complex process that includes judgments about future events, laws, regulations, etc. Changes in judgments or interpretations are likely to lead to an increase or decrease in the Company's contingent liabilities in the future. When additional information becomes available, the Group's Management reviews the facts based on which it may also be led to a review of its estimates (see Note 44).

x) Provisions for expected credit losses from receivables from clients

The Group and the Company apply the simplified approach under the provisions of IFRS 9 for calculation of expected credit losses based on which the provision for impairment is measured at an amount equal to the expected lifetime credit losses for the receivables from customers and the contractual assets. The Group and the Company have made provisions for bad debts in order to adequately cover the loss that can be reliably estimated and arises from these receivables. At every reporting period date, the provision that has been made is adjusted and potential changes are recognized in the income statement (further information is presented in Notes 16, 17 and 18).

xi) Valuation of cash flow hedging agreements

The Group uses financial derivatives and specifically it enters into interest rate swaps to hedge its risk linked to fluctuations of interest rates. For the valuation of these contracts are being used market estimates regarding the trend of the related interest rates for periods up to thirty years. According to such estimated interest rates, the cash flows are discounted in order to define the liability on the date of the financial statements (further information is presented in Note 28).

4 SUMMARY OF KEY ACCOUNTING PRINCIPLES

4.1 Basis for consolidation

The accompanying consolidated financial statements include the financial statements of TERNA SA and its subsidiaries as at 31.12.2020. The date of preparation of the financial statements of the subsidiaries coincides with that of the parent.

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

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

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

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

(a) Subsidiaries

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

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

Changes in a parent's ownership interest in a subsidiary

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

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

Investments in subsidiaries in the separate financial statements

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

(b) Joint arrangements

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

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

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

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

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

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

Investments in jointly controlled operations in the separate financial statements

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

Investments in joint ventures in the separate financial statements

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

4.2 Foreign currency translation

Functional and reporting currency

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

Transactions and balances in Foreign Currency

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

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

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

Foreign operations

The functional currency of the Group's foreign subsidiaries is the official currency of the country in which every subsidiary operates. For the preparation of consolidated financial statements, assets and liabilities, including as well the fair value adjustments due to business combinations, of the foreign subsidiaries are translates to Euro based on the foreign exchange rate effective at the

Statement of Financial Position reporting date. Revenue and expenses are translated into the presentation currency of the Group based on the average exchange rates for the reported period. Any differences arising from this procedure are charged / (credited) to the foreign currency translation differences' reserves from incorporation of foreign exploitation, of equity, while there are recognized in other comprehensive income in the Statement of Comprehensive Income. Upon the disposal, write off or derecognition of a foreign subsidiary, the above reserves are transferred to profit or loss for the period.

4.3 Goodwill

Goodwill arises from acquisition and gain of control on a company.

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

As at the acquisition date (or at the date of the completion of the relative consideration allocation), acquired goodwill is allocated to the cash-generating units or groups of cash-generating units that are expected to benefit from that business combination. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

Goodwill is not amortized but is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that a potential impairment may have been incurred (see Note 4.6 for the procedures applied for goodwill's impairment test).

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

4.4 Intangible assets

The intangible assets of the Group concern

i. Rights-of-use quarries and mines and operational development costs of land ,

ii. acquired software programs

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

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

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

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

Category	**Amortization Method**	**Useful life in years**
Software	Stable	3
Rights-of-use quarries and mines	Stable	50
Expenses incurred under Operational Development of Quarries–Mines Land Plots Exploitation	Stable	50

Amortization of acquired construction contract' right is amortized based on the execution rate of the specific construction contracts.

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

a) Software

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

(**b) Rights to use quarries and mines**

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

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

Such expenses concern quarry-mining operation development costs and mainly include procedures in respect of galleries surfacing costs, galleries opening coats and extracting sterile soil costs. During the operational development phase (before production starts), galleries surfacing costs are usually capitalized as part of the amortized cost of quarries development and construction.

Amortization of operating expenses incurred for development of mineral-ore extraction areas is calculated using the percentage recovery method of commercially recoverable mine. Amortization – expenses of capitalized operating costs arising from development of mines- quarries is included in the costs of minerals mining and extraction costs. Operating costs arising from development of mines - quarries are capitalized if, and only if, the following conditions are met:

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

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

4.5 Tangible assets

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

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

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

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

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

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

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

When the book values of the tangible fixed assets are higher than their recoverable amount, then the difference (impairment) is recognized directly as an expense in the Income Statement (see note 4.6). Upon sale of tangible assets, the differences between the received consideration and their book value are recognized as profits or losses in the Income Statement.

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

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

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

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

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

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

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

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

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

4.7 Investment property

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

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

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

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

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

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

4.8 Inventory

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

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

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

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

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

4.9 Cash and Cash Equivalents

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

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

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

The Group's restricted deposits, irrespective of the nature of their commitment, are not included in the cash and cash equivalents but are classified in the item "Prepayments and other receivables" (please refer to Note 18).

4.10 Financial instruments

4.10.1 Recognition and derecognition

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

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

4.10.2 Classification and initial recognition of financial assets

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

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

- Financial assets at amortized cost,

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

Classification of every asset is defined according to:

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

All income and expenses related to financial assets recognized in the Income Statement are included in the item "Financial income/(expense)", except from the impairment of trade receivables included in operating results.

4.10.3 Subsequent measurement of financial assets

Financial assets at amortized cost

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

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

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

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

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

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

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

The Group has chosen to classify investments in this category (please refer to Note 19).

4.10.4 Impairment of financial assets

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

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

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

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

- financial assets whose credit risk has not deteriorated significantly since initial recognition or which have a low credit risk at the reporting date (Stage 1) and for which the expected credit loss is recognized for the following 12 months,

- financial assets whose credit risk has deteriorated significantly since initial recognition and which have no low credit risk (Stage 2). For these financial assets, the expected credit loss is recognized up to their maturity.

- financial assets for which there is objective evidence of impairment at the reporting date (Stage 3) and for which the expected credit loss is recognized up to maturity.

Trade receivables, other receivables and receivables from contracts with customers

The Group and the Company apply the simplified approach of IFRS 9 to trade and other receivables as well as to receivables from on construction contracts and receivables from leases, estimating the expected credit losses over the life of the above items. In this case, the expected credit losses represent the expected shortfalls in the contractual cash flows, taking into account the possibility of default at any point during the life of the financial instrument. In calculating the expected credit losses, the Group uses a provisioning table by grouping the above financial instruments based on the nature and maturity of the balances and taking into account available historical data in relation to the debtors, adjusted for future factors in relation to the debtors and the economic environment. Further analysis is presented in Note 16, 17 and 18.

4.10.5 Classification and measurement of financial liabilities

The Group's financial liabilities include mainly borrowings, suppliers and other liabilities, as well as derivative financial instruments. Financial liabilities are initially recognized at cost, which is the fair value of the consideration received apart from the issuance cost regarding debt. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method, with the exception of derivatives that are subsequently measured at fair value with changes recognized in profit or loss (except derivatives that are hedging instruments, see Note 4.10.6).

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

In particular:

(i) Loan liabilities

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

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

(ii) Trade and other liabilities

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

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

4.10.6 Derivatives financial instruments and hedging accounting

At the date of the initial application of IFRS 9, all existing hedging relationships of the Group can be classified as continuing and therefore the application of the new Standard has no impact on the financial statements. The Group's risk management policies are in line with the provisions of the new standard and hedge accounting continues to apply.

In the context of risk management, the Group uses:

- derivative financial instruments for the exchange of interest rates to hedge the risks associated with the future fluctuation of floating-interest rates loans,

These derivative financial instruments are initially recognized at their fair value at the date of the contract and are subsequently measured at their fair value. Changes in the fair value of financial derivative instruments are recognized at each reporting date either in the Statement of

Comprehensive Income or in other comprehensive income, depending on whether the derivative financial instrument meets the requirements of hedge accounting and, if so, according to the nature of the hedging object.

On the transaction date, the Group records the relationship between the hedging instrument and the hedging item, as well as the risk management objective and hedging transaction strategy. The Group also records both when creating the hedging transaction and then whether the tools used in these changes are effective in offsetting fluctuations in the cash flows of hedging items.

Derivative financial products are measured at fair value at the reporting date and the changes are recognized in profit or loss. The fair value of these derivatives is determined primarily on a market value and is confirmed by the counterparty credit institutions.

Future cash flows hedging

The part of changes in fair value that is attributable to effective risk hedging is recognized in equity.

Any gain or loss arising from changes in fair value attributable to non-effective risk hedging is recognized directly in the statement of comprehensive income in the item "Net financial income/(expenses)". Cumulative amounts in equity are recycled through the Statement of Comprehensive Income to the income statement in the periods in which the hedged item affects the result (when the hedged transaction is taking place).

Hedging accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when the hedge no longer meets the hedging accounting criteria. The cumulative amount of profit or losses recognized directly in equity until that date remains in the reserve until the hedged item affects the Statement of Comprehensive Income. In the event that a hedged transaction is no longer expected to be realized, the net accumulated profits or losses entered in the reserves are immediately transferred to the Statement of Comprehensive Income.

4.10.7 Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is shown in the Statement of Financial Position only if there is the present legal right to offset the recognized amounts and intends to clear them on a net basis or to require the asset and settle the liability simultaneously.

4.11 Employee benefits

Short-term benefits: Short-term benefits to personnel (except for termination of employment benefits) in cash and in kind are recognized as an expense when considered accrued. Any unpaid amount is recognized as a liability, whereas in case the amount already paid exceeds the benefits' amount, the entity identifies the excess as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments' reduction or refund.

Retirement Benefits: Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Group's liabilities for retirement benefits cover both defined contribution plans and defined benefit plans. The defined contribution plan's accrued cost is recognized as an expense in the financial year where it relates. Pension plans adopted by the Group are partly financed through payments to insurance companies or state social security funds.

(a) Defined Contribution Plan

Defined contribution plans pertain to contribution payment to Social Security Organizations and therefore, the Group does not have any legal obligation in case the Fund is incapable of paying a pension to the insured person. The employer's obligation is limited to paying the employer's contributions to the Funds. The payable contribution by the Group in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognized as expenses in the income statement.

(b) Defined Benefit Plan (non-funded)

Under Laws 2112/20 and 4093/2012, the Company must pay compensation upon retirement or termination to its employees. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The entitlement to participate in these plans is usually based on years of service of the employee until retirement.

The liability recognized in the Statement of financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserve from payments to an insurance company), the changes deriving from any actuarial profit or loss and the service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. In order to discount the 2020 fiscal year, the selected interest rate follows the trend of European Bonds with a 10-year expiration on December 31, 2020, which is considered consistent with the provisions of IAS 19, i.e. it is based on bonds respectively in terms of currency and estimated term in relation to benefits to employees, as well as appropriate for long-term provisions.

A defined benefit plan establishes, based on various parameters, such as age, years of service and salary, the specific obligations for payable benefits. Provisions for the period are included in the relative staff costs in the accompanying separate and consolidated Income Statements and comprise of the current and past service cost, the relative financial cost, the actuarial gains or losses and any possible additional charges. Regarding unrecognized actuarial gains or losses, the revised IAS 19 is applied, which includes a number of changes to accounting for defined benefit plans, including:

i) recognition of actuarial gains / losses in other comprehensive income and their permanent exclusion from the Income Statement,
ii) non-recognition of the expected returns on the plan investment in the Income Statement but recognition of the relative interest on net liability / (asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,
iii) recognition of past service cost in the Income Statement at the earliest between the plan modification date or when the relative restructuring or terminal provision are recognized,
iv) other changes include new disclosures, such as quantitative sensitivity analysis.

(c) Benefits settled with equity instruments

The Group provides to its personnel compensation with remuneration in equity securities. Specifically, the Group provides to its personnel, based on the stock option scheme approved by the General Meeting of shareholders, the option to purchase the Company's own shares.

These remunerations are settled by the sale of the Company's own shares by the Company if the employee fulfills certain securing conditions and exercises his/her rights. The total amount of expenditure during the maturity period of the entitlement is determined on the basis of the fair value of the scheme during the entitlement period. Non-market conditions are included in the assumptions for determining the number of rights to be exercised. At each reporting date, the Group reviews the estimates for the number of rights that are expected to be exercised. It recognizes the effect of revising the initial estimates, if any, on the results by adjusting equity accordingly.

As at 31.12.2020, there is an active program of shares' distribution of the Company and the Group (see Note 30).

4.12 Leases

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

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

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

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

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

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

Initial measurement of the lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in the lease. In any other case the Group's marginal borrowing rate will be used.

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

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

Subsequent measurement

Subsequent measurement of the right-of-use asset

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

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

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

Subsequent measurement of the lease liability

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

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

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

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

1. financial cost of the lease liability, and

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

The Group as lessor

The Group receives rents from the operating leases of its investment properties. Income from rentals is gradually recognized over the lease term.

4.13 Government grants

Government grants are recorded at fair value when there is reasonable assurance that the grant will be received and that the Group will comply with all the relevant conditions.

Grants that are related to tangible assets' subsidy are recognized when there is certainty that the grant will be collected and all relevant prerequisites will be met. These grants are recognized as deferred income and are transferred in the profits or loss of each reporting period in equal installments based on the useful life of the granted asset.

Grants relating to expenses are recorded in transit accounts and recognized in the income statement over the period necessary to balance the expenses they are intended to compensate

4.14 Provisions, contingent Liabilities and Assets

Provisions are recognized when the Group has present legal or imputed liabilities as a result of past events; their settlement is possible through resources' outflow and the exact liability amount can be reliably estimated. The provisions are reviewed on the date of the Financial Statements and are adjusted accordingly to reflect the present value of the expense expected for the settlement of the liability.

When the effect of the time value of money is significant, the provision is calculated as the present value of the expenses expected to be incurred in order to settle this liability.

If it is no longer probable that an outflow will be required in order to settle a liability for which a provision has been formed, then it is reversed.

In cases where the outflow due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognized in the financial statements. Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of an outflow of resources embodying economic benefits is minimal. Potential inflows from economic benefits for the Group which do not meet the criteria of an asset are considered a contingent asset and are disclosed when the inflow of the economic benefits is probable.

4.15 Revenue

In accordance with IFRS 15 a five-step model is established for identifying revenue from contracts with customers:

1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when (or as) the entity satisfies a performance obligation

Revenue is recognized at the amount by which an entity expects to have in exchange for the transfer of the goods or services to counterparty. When awarding a contract, it is defined the accounting monitoring of additional costs as well as direct costs required to complete the contract.

As revenues is defined as the amount that an entity expects to be entitled to in exchange for the goods or services it has transferred to a customer. If the promised consideration in a contract includes a variable amount, the entity estimates the consideration amount that would be entitled to the transfer of the promised goods or services to customer. The consideration amount may vary due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, penalties, or other similar items. Promising consideration may also change if the entity's entitlement to the consideration depends on the occurrence or non-occurrence of a future event. For example, a consideration amount will be variable if the product has been sold with a refund or if a fixed amount promise has been given as an additional performance benefit to achieve a specific milestone.

The volatility associated with the consideration promised by a customer may be expressly stated in the contract. An entity shall measure the amount of the variable consideration using one of the following methods, whichever method it considers best suited to the amount of consideration to which it will be entitled to:

(a) Estimated value - the estimated value is equal to the sum of the weighted-based on probability-amounts in a range of possible consideration amounts. Estimated value is an appropriate estimate of the variable amount if the entity has a large number of contracts with similar characteristics.

(b) Potential amount - the most probable amount is the only most probable amount in a range of possible consideration amounts (i.e., the only likely outcome of the contract). The most probable amount is an appropriate estimate of the variable amount if the contract has only two possible outcomes (for example, the entity secures additional performance provision or not).

The Group and the Company recognize revenue when it satisfies the performance of the contractual obligation by transferring the goods or services on the basis of this obligation. Acquisition of control by the client occurs when it has the ability to direct the use and to derive virtually all the economic benefits from this good or service. Control is passed over a period or at a specific time. Revenue from the sale of goods is recognized when the control of the goods is transferred to the client, usually with their delivery to him/her and there is no obligation that could affect the acceptance of the goods by the customer.

Commitments for implementation performed over time

The Group recognizes revenue for a performance obligation that is performed over time only if it can reasonably measure its performance in full compliance with the obligation. The Group is not in a position to reasonably measure progress in meeting a performance obligation when it does not have the reliable information required to apply the appropriate method of measuring progress. In some cases (i.e. during the initial stages of a contract), the entity may not be able to reasonably measure the outcome of a performance obligation, but at least expects to recover the costs incurred to meet it.

In such cases, an entity shall recognize revenue only on the extent of the cost incurred until it is able to reasonably measure the outcome of the execution obligation.

Revenue from of services is recognized in the accounting period in which the services are provided and measured according to the nature of the services to be provided. The receivable from client is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the client.

A conventional asset is recognized when the Group or the Company has satisfied its liabilities to the counterparty before it pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the right of the Group or the Company to issue an invoice. The contractual obligation is recognized when the Group or the Company receives a consideration from the counterparty as an advance or when it reserves the right to a price, which is postponed before the performance of the contractual obligations and the transfer of the goods or services. The contractual obligation is derecognized when the contract obligations are met and the revenue is recorded in the income statement.

Commitments for implementation performed at a specific time

When an implementation commitment is not met over time (as outlined above), then the entity enforces the implementation commitment at a particular time. In determining when the client acquires control of a promising asset and the entity performs an implementation commitment, the entity examines the requirements for the acquisition control, as analytically recorded in IFRS 15.

The main categories of income recognized from implementation commitments fulfilled over time for the Group are as follows:

- Revenue from contracts with customers related to construction operations

It relates to revenue from contracts with customers and results from implementation commitments that are fulfilled over time. Subsidiaries and joint ventures engaged in the implementation of constructions recognize revenue from construction contracts in their tax records on the basis of customer invoices resulting from relevant sectional project implementation certifications issued by accredited engineers and responsive to the work carried out until the closing date. For the purpose of complying with IFRS, the proceeds from the construction activity are accounted for in the accompanying financial statements progressively during construction, based on the input method of measurement in accordance with the provisions of IFRS 15 "Revenue from Contracts with Customers".

The input method recognizes revenue based on the entity's efforts or inflows towards fulfilling an implementation commitment (for example, the resources consumed, the hours worked, the costs incurred the time spent or the hours of operation of the machines consumed) in relation to the total expected inputs to fulfill this implementation commitment.

- Sale of goods

Revenue from the sale of goods, after deduction of sales discounts, sales incentives and related VAT are recognized when the significant risks and benefits of ownership of the goods are transferred to the buyer.

- Income from rentals

It refers to income from contracts with customers and arises from implementation commitments that are fulfilled over time. Rental income (operating leases) is recognized using the straight-line method according to the terms of the lease.

- Dividends

Dividends are accounted for when the right to collect them is finalized, it is possible that the financial benefits associated with the transaction will flow to the entity and the amount of revenue can be calculated reliably.

- Interest

Interest income is recognized on an accrual basis.

4.16 Income tax

Income taxes charges for the year consists of current taxes, deferred taxes and tax audit differences from previous years.

Current Tax

The current tax is calculated based on the tax Statements of Financial Position of each company included in the consolidated Financial Statements, according to the tax regulation effective in Greece or other tax frameworks under which the foreign subsidiaries operate. The expenses for current Income tax is calculated based on the earnings of each company as such are reformed on the companies' tax reports and provisions for additional income taxes and is calculated in accordance with statutory or substantially institutionalized tax rates.

Deferred Tax

Deferred taxes are taxes or tax relief that are related to the financial burdens or benefits accruing in the year but have already been accounted for or will be accounted for by the tax authorities in different FYs.

Deferred income tax is determined using the liability method that results from the temporary differences between the carrying amount and the tax base of the assets and liabilities.

Deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that when the transaction took place, did not affect either the accounting or the tax profit or loss.

Deferred income taxes are measured using the liability method in all temporary differences at the date of the financial statements between the tax base and the carrying amount of assets and liabilities. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are measured at each reporting date and are reduced to the extent that it is unlikely that there will be sufficient taxable profits against which part or all of the deferred income tax assets may be used.

Deferred tax assets and obligations are calculated based on the tax rates that are expected to be in force for the year in which the asset is incurred or the liability will be settled and are based on the tax rates (and tax laws) that are in effect or effectively in force at the date of reporting of the financial statements. In the event that the temporary reversal of temporary differences cannot be clearly identified, the tax rate applicable on the next day of the statement of financial position is used.

Income tax related to items that are recognized in other comprehensive income is also recognized in other comprehensive income.

4.17 Share capital, reserves and distribution of dividends

Common registered share are recorded as equity. Costs, directly attributable to a component of equity net of tax effect, are monitored as a deduction to the Balance of Retained Earnings in equity. Otherwise, this amount is recognized as an expense in the period in question.

In cases when the Company or its subsidiaries acquire part of the Company's share capital (treasury shares), the amount paid, including any expense, net of tax, is deducted from equity until the shares are cancelled or sold. The number of treasury shares held by the Company does not reduce the number of shares in circulation but affects the number of shares included in the calculation of earnings per share. Treasury shares held by the Company do not incorporate a right to receive a dividend.

At 31.12.2020 the Group did not hold in its possession treasury shares.

In particular, the reserves are divided into:

Statutory reserve

In compliance with the Greek Commercial Law, companies shall transfer at least 5% of their annual net profits to a statutory reserve until such reserve equals 1/3 of the paid-up share capital. This reserve cannot be distributed during the Company's operations.

Development, tax legislation and other untaxed reserves

These reserves refer to profits not taxed at the applicable tax rate in accordance with the applicable tax framework in Greece and include reserves arising from taxable profits and pertaining to the company’s participation in development laws. These reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their conversion into equity under certain circumstances.

Cash flows risk hedging reserve

The risk hedge reserve is used to record profits or losses on derivative financial products, which can be classified as future cash flow hedges and are recognized in other comprehensive income.

Foreign currency translation differences from incorporation of foreign operations reserve

Foreign exchange differences arising on foreign currency translation are recognized in other comprehensive income and accumulated in other reserves. The cumulative amount is transferred to the income statement of the year when the participations will be transferred.

Other reserves

Other reserves mainly include actuarial losses of pension schemes.

The category of other reserves comprises:

1. Actuarial gains/(losses) from defined benefit pension schemes arising from (a) empirical adjustments (the effect of differences between previous actuarial assumptions and those eventually occurring) and (b) changes in actuarial assumptions.
2. Changes in fair value of investments classified as equity investments.

Dividends distributed to the Company's shareholders are recognized in the financial statements as a liability in the period in which the distribution proposal of the Management is approved by the Annual General Meeting of the Shareholders.

Also, at the same time, the financial statements reflect the effect of the approved by the Shareholders’ General Assembly distribution of the results and the possible formation of reserves.

5 GROUP AND COMPANY STRUCTURE

The following tables is presented per operating segment at 31.12.2020 the total participating interests of parent company TERNA SA, direct and indirect, in the economic entities, which were included in the consolidation or incorporated as joint operations. In case of indirect participation, the subsidiary is presented into which the consolidation of the participation takes place.

(Amounts in thousands Euro, unless otherwise stated)

5.1 Company Structure

COMPANY NAME	DOMICILE	DIRECT PARTICIPATION %	INDIRECT PARTICIPATION %	TOTAL PARTICIPATION %	CONSOLIDATION METHOD	TAX UNAUDITED YEARS
CONSTRUCTIONS SEGMENT - JOINT VENTURES						
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece	66.00	0.00	66.00	Proportional consolidation	2015-2020
J/V TERNA - IMPEGILOSPA (TRAM)	Greece	55.00	0.00	55.00	Proportional consolidation	2015-2020
J/V ALPINEMAYREDERBAUGmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V TERNA SA - WAYSS (PERISTERI METRO)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	35.00	0.00	35.00	Proportional consolidation	2015-2020
J/V TERNA - PANTECHNIKI (OAKA SUR. AREAS)	Greece	83.50	0.00	83.50	Proportional consolidation	2015-2020
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	65.00	0.00	65.00	Proportional consolidation	2015-2020
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (PARADEISIA TSAKONA)	Greece	49.00	0.00	49.00	Proportional consolidation	2015-2020
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece	25.00	0.00	25.00	Proportional consolidation	2015-2020
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece	37.40	0.00	37.40	Proportional consolidation	2015-2020
J/V TERNA SA-AKTOR ATE J&P AVAX-TREIS GEFYRES	Greece	33.33	0.00	33.33	Proportional consolidation	2015-2020
J/V METKA-TERNA	Greece	90.00	0.00	90.00	Proportional consolidation	2015-2020
J/V APION KLEOS	Greece	17.00	0.00	17.00	Proportional consolidation	2015-2020
J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece	33.33	0.00	33.33	Proportional consolidation	2017-2020
J/V AKTOR-TERNA (PATHE at Stylida road)	Greece	50.00	0.00	50.00	Proportional consolidation	2017-2020
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	50.00	0.00	50.00	Proportional consolidation	2017-2020

(Amounts in thousands Euro, unless otherwise stated)

J/V AKTOR-TERNA (Patras Port)	Greece	70.00	0.00	70.00	Proportional consolidation	2015-2020
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	33.33	0.00	33.33	Proportional consolidation	2015-2020
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	49.00	0.00	49.00	Proportional consolidation	2017-2020
J/V AKTOR ATE - TERNA SA (Lignite works)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V AKTOR ATE - TERNA SA (Thriasio B’)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V AKTOR SA - J&P AVAX - TERNA SA (Tithorea Domokos)	Greece	33.33	0.00	33.33	Proportional consolidation	2015-2020
J/V AKTOR SA - J&P AVAX - TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece	44.56	0.00	44.56	Proportional consolidation	2015-2020
J/V AKTOR SA - TERNA SA (Thriasio B’ ERGOSE)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V AKTOR - TERNA (Joint Venture ERGOSE No. 751)	Greece	50.00	0.00	50.00	Proportional consolidation	2015-2020
J/V RENCO TERNA (Construction of compression Station of TAP in Greece and in Albania)	Greece	50.00	0.00	50.00	Proportional consolidation	2016-2020
J/V J&P AVAX SA-TERNA SA-AKTOR ATE-INTRAKAT (Mosque)	Greece	25.00	0.00	25.00	Proportional consolidation	2016-2020
J/V AVAX-TERNA INTRAKAT-MYTILINAIOS (Construction of an artificial barrier on the Greek-Turkish border of Evros)	Greece	25.00	0.00	25.00	Proportional consolidation	2020
J/V TERNA GCC WAC	Qatar	0.00	30.00	30.00	Proportional consolidation	2016-2020
J/V VINCI TERNA DOO	Serbia	49.00	0.00	49.00	Proportional consolidation	2018-2020
J/V AVAX-TERNA (MEDITERRANEAN CITY OF DREAMS)	Cyprus	40.00	0.00	40.00	Proportional consolidation	2019-2020

5.2 Group Structure

COMPANY NAME	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT - SUBSIDIARIES						
J/V EUROIONIA	Greece	95.00	0.00	95.00	Full	2015-2020
J/V CENTRAL GREECE MOTORWAY E-65	Greece	95.00	0.00	95.00	Full	2015-2020
TERNA OVERSEAS LTD	Cyprus	100.00	0.00	100.00	Full	2013-2020
TERNA BAHRAIN HOLDING WLL	Bahrain	0.00	99.99	99.99	Full	-
TERNA CONTRACTING CO WLL	Bahrain	0.00	100.00	100.00	Full	-
TERNA VENTURES WLL	Bahrain	0.00	100.00	100.00	Full	-
TERNA QATAR LLC *	Qatar	0.00	35.00	35.00	Full	2013-2020
AEROZEPHIROS LTD	Cyprus	0.00	100.00	100.00	Full	2019-2020

(Amounts in thousands Euro, unless otherwise stated)

REAL ESTATE SEGMENT - SUBSIDIARIES						
MANTOUDI BUSINESS PARK S.A.	Greece	0.00	100.00	100.00	Full	2015-2020
INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES						
TERNA MAG SA	Greece	48.98	0.00	48.98	Full	2015-2020
VRONDIS QUARRY PRODUCTS SA	Greece	100.00	0.00	100.00	Full	2015-2020
MALCEM CONSTRUCTION MATERIALS LTD	Malta	0.00	75.00	75.00	Full	2013-2020
CEMENT PRODUCTION AND EXPORT FZC	Libya	0.00	75.00	75.00	Full	-
SEGMENT OF HOLDINGS - SUBSIDIARIES						
QE ENERGY EUROPE LTD	Cyprus	0.00	100.00	100.00	Full	2013-2020
CONSTRUCTIONS SEGMENT - JOINT VENTURES						
J/V TERNA - CGCE (AMAS 2)	Bahrain	0.00	50.00	50.00	Proportional consolidation	-
JV TERNA-CGCE JOINT VENTURE (AMAS 3)	Bahrain	0.00	50.00	50.00	Proportional consolidation	-
CONCESSIONS SEGMENT - JOINT VENTURES						
INTERNATIONAL AIRPORT OF HERAKLION CRETE	Greece	32.46	0.00	32.46	Equity	2019-2020
THERMAL ENERGY SEGMENT - JOINT VENTURES						
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	25.00	0.00	25.00	Equity	2015-2020
REAL ESTATE SEGMENT - JOINT VENTURES AND ASSOCIATES						
GEKA S.A.	Greece	33.34	0.00	33.34	Equity	2015-2020

The following table presents the joint ventures for the construction of technical projects and other companies, in which the Group participates, have already concluded the projects for which they have been established for, their guarantee period has expired, their relations with third parties have been settled and their final liquidation is pending. Therefore, they are not included in the consolidated financial statements.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V EVINOU-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%
J/V MAIN ARROGATION CANAL D 1	75.00%
J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	20.00%
J/V ARTA-FILIPPIADA BY-PASS	98.00%
J/V FRAGMATOS PRAMORITSA	33.33%
J/V VIOTER SA – TERNA SA	50.00%
J/V J&P AVAX SA – TERNA SA – EFKLEIDIS	35.00%

(Amounts in thousands Euro, unless otherwise stated)

J/V J&P AVAX-VIOTER-TERNA (OLYMPIC VILLAGE CONSTRUCTION)	37.50%
J/V TERNA-MOCHLOS-AKTOR TUNNEL KIATO-AIGIO	35.00%
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	33.33%
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (PARAD. TSAKONA RING ROAD)	49.00%
J/V TERNA SA-NEON STAR SA-RAMA (OPAP 1)	51.00%
J/V AEGEK-TERNA (SIATISTA – KRYSTALLOPIGI CONNECTION)	45.00%
J/V TERNA-Al OMAIER	60.00%

5.3 Changes in the structure of the Group within 2020

Within 2020, the following change took place in the structure of the Group in relation to the comparative year 2019:

On 06.02.2020 following the satisfaction of the Conditions of the Concession Agreement, the State provided to the company INTERNATIONAL AIRPORT HERAKLION CRETE S.A. CONCESSION the "License for the Establishment and Construction of a New International Airport of Heraklion, Crete". It is noted that after the start date of the concession and in accordance with the provisions of the concession agreement, the percentages of participation in the share capital were formed in: TERNA S.A. 32.46%, GMR Airports Limited 21.64%, and Greek State with 45.9%. The above percentages are valid as of 06.02.2020.

During the fiscal year 2020, the following non-consolidated joint ventures were liquidated:

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V TERNA SA – AKTOR SA – EBEDOS SA – J&P AVAX SA - IMEC GmbH	24.00%
J/V TERNA SA / AKTOR SA - GOULANDRIS MUSEUM	50.00%
J/V DEPA PROJECT	10.00%

In addition, within 2020 there were liquidated the following companies and joint operations, which up until their liquidation date they were consolidated, although without a significant effect on the financial figures of the Group.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
TERNA SAUDI ARABIA LTD	60.00%
J/V TERNA-CGCE (AMAS 1)	50.00%

(Amounts in thousands Euro, unless otherwise stated)

Control's assessment

The company TERNA QATAR LLC is fully consolidated as a subsidiary as the Group exercises control over it in accordance with the requirements of IFRS 10. Within the current year, no changes were made in the above estimates, compared to 31.12.2019 (see detailed note 12.2).

The percentages of voting rights of TERNA SA in all the above participations coincide with the percentage it holds on the circulating share capital of the companies.

6 GEOGRAPHICAL SEGMENTS

The following table lists selected information for the Group by geographical area. Other areas include Malta, Libya and Western Europe.

Geographical segments 31.12.2020	Greece	Balkans	Middle East	Eastern Europe	Other regions	Consolidated total
Turnover from external customers	437,715	32,262	28,645	698	5,405	**504,725**
Non-current Assets (excl. deferred tax assets and financial assets)	181,438	31,436	942	0	0	**213,816**
Capital expenditure	8,618	885	285	0	0	**9,788**

Geographical segments 31.12.2019	Greece	Balkans	Middle East	Eastern Europe	Other regions	Consolidated total
Turnover from external customers	599,401	36,190	51,010	20	8,053	**694,674**
Non-current Assets (excl. deferred tax assets and financial assets)	153,586	32,641	2,101	0	0	**188,328**
Capital expenditure	11,041	1,230	786	0	0	**13,057**

7 GOODWILL

On 31.12.2020, the Group has recognized in the consolidated financial statements goodwill of 3,025 (in previous years, the company TERNA SA acquired 66.7% of the construction joint ventures EUROIONIA and E-65, with which it would perform an additional important construction object in existing construction contracts). The analysis of the movement of goodwill during the years 2020 and 2019 is as follows:

(Amounts in thousands Euro, unless otherwise stated)

	Construction Segment
Net book value at 01.01.2019	3,183
Impairment of Goodwill	(158)
Net book value at 31.12.2019	**3,025**
Net book value at 01.01.2020	3,025
Impairment of Goodwill	0
Net book value at 31.12.2020	**3,025**
Gross book value on 31.12.2020	9,759
Accumulated impairment losses	(6,734)
Net book value at 31.12.2020	**3,025**

An impairment test is based on the determination of the recoverable amount, which has been determined on a value-in-use basis. This determination is made using the discounted cash flows method based on the remaining estimated cash flows expected until the completion of the construction work of the joint ventures.

This methodology for determining value-in-use is affected by the following key assumptions as adopted by the Management to determine future cash flows: (a) the revenue projected under the existing construction contracts of two joint ventures, b) the budgeted operating profit margins of construction projects, which are also calculated on the basis of the results of the last years.

Based on the impairment test carried out at the end of the reporting period, there was no need to incur additional impairment.

8 INTANGIBLE FIXED ASSETS

Intangible assets of the Group and the relative changes for the periods January 1 – December 31, 2020 and 2019, presented in the accompanying financial statements, are analyzed as follows:

	GROUP				
	Concessions and other Rights	**Rights from construction contract**	**Software**	**Research and development**	**Total**
<u>Acquisition Value</u>					
1st January 2020	**35,384**	**88,022**	**2,516**	**7,378**	**133,300**
Additions	5	0	380	143	**528**
Sales	0	0	(52)	0	**(52)**

(Amounts in thousands Euro, unless otherwise stated)

Write offs	0	0	(66)	0	**(66)**
Transfers	0	0	0	141	**141**
Foreign exchange differences	0	0	(24)	0	**(24)**
31st December 2020	**35,389**	**88,022**	**2,754**	**7,662**	**133,827**
Accumulated amortization and impairments					
1st January 2020	**(9,100)**	**(86,401)**	**(2,000)**	**(976)**	**(98,477)**
Amortization	(598)	(381)	(201)	(143)	**(1,323)**
Sales	0	0	52	0	**52**
Write offs	0	0	66	0	**66**
Impairments	(841)	0	0	0	**(841)**
Transfers	0	0	66	0	**66**
Foreign exchange differences	0	0	24	0	**24**
31st December 2020	**(10,539)**	**(86,782)**	**-1993**	**(1,119)**	**(100,433)**
Net book value					
31st December 2020	**24,850**	**1,240**	**761**	**6,543**	**33,394**

	GROUP				
	Concessions and other Rights	**Rights from construction contract**	**Software**	**Research and development**	**Total**
Acquisition Value					
1st January 2019	**35,384**	**88,022**	**2,256**	**5,925**	**131,587**
Additions	0	0	254	99	**353**
Transfers	0	0	0	1,354	**1,354**
Foreign exchange differences	0	0	6	0	**6**
31st December 2019	**35,384**	**88,022**	**2,516**	**7,378**	**133,300**
Accumulated amortization and impairments					
1st January 2019	**(8,502)**	**(86,163)**	**(1,898)**	**(749)**	**(97,312)**
Amortization	(598)	(238)	(159)	(227)	**(1,222)**
Transfers from/(to) assets	0	0	65	0	**65**
Foreign exchange differences	0	0	(8)	0	**(8)**
31st December 2019	**(9,100)**	**(86,401)**	**(2,000)**	**(976)**	**(98,477)**
Net book value					
31st December 2019	**26,284**	**1,621**	**516**	**6,402**	**34,823**

(Amounts in thousands Euro, unless otherwise stated)

The amortization for the years 2020 and 2019 has been recognized in Cost of sales by 1,085 (31.12.2019:1,022), in Administrative and distribution expenses by 138 (31.12.2019:107), R&D expenses by 14 (31.12.2019:14), Other Income / (expenses) by 95 (31.12.2019:0) and Inventory by (9) (31.12.2019:81).

The respective amounts for the Company is 84 (31.12.2019:86) in Cost of Sales and 130 (31.12.2019: 93) in Administrative and distribution expenses.

The account Concessions and Other Rights refers to paid rights for exploitation of quarries by 375 (31.12.2019:410) with initial agreed duration 20-30 years and in the Group magnesite mining right by 24,475 (31.12.2019:25,874), with estimated useful life of 50 years,

Development costs mainly refer to costs incurred in magnesite mines.

9 RIGHT OF USE ASSETS

The rights of use assets and their movement for the period 1 January until 31 December 2020 and 2019 presented in the accompanying financial statements are amazed as follows:

GROUP

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition Value						
1st January 2020	**1,053**	**7,777**	**25,919**	**7,792**	**2**	**42,543**
Additions	184	1,988	145	206	0	**2,523**
Transfers	0	0	(21,070)	(5,898)	0	**(26,968)**
Termination of contracts	(134)	(939)	(1,522)	(209)	(2)	**(2,806)**
Foreign exchange differences	(57)	(38)	(3)	0	0	**(98)**
31st December 2020	**1,046**	**8,788**	**3,469**	**1,891**	**0**	**15,194**
Accumulated amortization and impairments						
1st January 2020	**(406)**	**(2,248)**	**(10,242)**	**(3,746)**	**(2)**	**(16,644)**
Amortization	(439)	(2,300)	(1,244)	(682)	0	**(4,665)**
Transfers	0	0	9,119	3,099	0	**12,218**
Termination of contracts	134	560	1,451	200	2	**2,347**
Foreign exchange differences	40	19	2	0	0	**61**
31st December 2020	**(671)**	**(3,969)**	**(914)**	**(1,129)**	**0**	**(6,683)**
Net book value						
31st December 2020	**375**	**4,819**	**2,555**	**762**	**0**	**8,511**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP					
	Land-Plots	**Buildings and Installations**	**Technological and mechanical equipment**	**Vehicles**	**Other**	**Total**
Acquisition Value						
1st January 2019	**0**	**0**	**0**	**0**	**0**	**0**
Adjustments from IFRS 16	1,045	6,893	1,382	1,488	2	**10,810**
Transfers from tangible assets due to implementation of IFRS 16	0	0	24,290	6,428	0	**30,718**
1st January 2019, Readjusted Balance	**1,045**	**6,893**	**25,672**	**7.916**	**2**	**41,528**
Additions	187	1,551	300	327	0	**2,365**
Transfers	0	0	29	0	0	**29**
Termination of contracts	(185)	(673)	(81)	(451)	0	**(1,390)**
Foreign exchange differences	6	6	(1)	0	0	**11**
31st December 2019	**1,053**	**7,777**	**25,919**	**7,792**	**2**	**42,543**
Accumulated amortization and impairments						
1st January 2019	**0**	**0**	**0**	**0**	**0**	**0**
Transfers from tangible assets due to implementation of IFRS 16	0	0	(8,469)	(2,868)	0	**(11,337)**
1st January 2019, Readjusted Balance	**0**	**0**	**(8,469)**	**(2,868)**	**0**	**(11,337)**
Amortization	(408)	(2,249)	(1,774)	(878)	(2)	**(5,311)**
Foreign exchange differences	2	1	1	0	0	**4**
31st December 2019	**(406)**	**(2,248)**	**(10,242)**	**(3,746)**	**(2)**	**(16,644)**
Net book value						
31st December 2019	**647**	**5,529**	**15,677**	**4,046**	**0**	**25,899**

(Amounts in thousands Euro, unless otherwise stated)

COMPANY

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition Value						
1st January 2020	**183**	**6,732**	**24,222**	**7,223**	**2**	**38,362**
Additions	99	1,939	106	181	0	**2,325**
Transfers	0	0	(21,070)	(5,898)	0	**(26,968)**
Termination of contracts	(134)	(778)	(1,134)	(124)	(2)	**(2,172)**
Foreign exchange differences	(2)	(15)	0	0	0	**(17)**
31st December 2020	**146**	**7,878**	**2,124**	**1,382**	**0**	**11,530**
Accumulated amortization and impairments						
1st January 2020	**(103)**	**(1,977)**	**(9,791)**	**(3,389)**	**(2)**	**(15,262)**
Amortization	(126)	(2,032)	(1,069)	(605)	0	**(3,832)**
Transfers	0	0	9,119	3,099	0	**12,218**
Termination of contracts	134	489	1,134	116	2	**1,875**
Foreign exchange differences	1	9	0	0	0	**10**
31st December 2020	**(94)**	**(3,511)**	**(607)**	**(779)**	**0**	**(4,991)**
Net book value						
31st December 2020	**52**	**4,367**	**1,517**	**603**	**0**	**6,539**

(Amounts in thousands Euro, unless otherwise stated)

COMPANY

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition Value						
1st January 2019	**0**	**0**	**0**	**0**	**0**	**0**
Adjustments from IFRS 16	333	5,895	1,028	1,175	2	**8,433**
Transfers from tangible assets due to implementation of IFRS 16	0	0	23,184	6,023	0	**29,207**
1st January 2019, Readjusted Balance	**333**	**5,895**	**24,212**	**7,198**	**2**	**37,640**
Additions	33	1,507	10	139	0	**1,689**
Termination of contracts	(185)	(673)	0	(114)	0	**(972)**
Foreign exchange differences	2	3	0	0	0	**5**
31st December 2019	**183**	**6,732**	**24,222**	**7,223**	**2**	**38,362**
Accumulated amortization and impairments						
1st January 2019	**0**	**0**	**0**	**0**	**0**	**0**
Transfers from tangible assets due to implementation of IFRS 16	0	0	(8,290)	(2,654)	0	**(10,944)**
1st January 2019, Readjusted Balance	**0**	**0**	**(8,290)**	**(2,654)**	**0**	**(10,944)**
Amortization	(103)	(1,977)	(1,501)	(736)	(2)	**(4,319)**
Foreign exchange differences	0	0	0	0	0	**0**
31st December 2019	**(103)**	**(1,977)**	**(9,791)**	**(3,389)**	**(2)**	**(15,262)**
Net book value						
31st December 2019	**80**	**4,755**	**14,431**	**3,834**	**0**	**23,100**

Group's amortization for the year 2020 have been recorded in Cost of sales by 3,126 (31.12.2019:3,636), in Administrative and distribution expenses by 1,433 (31.12.2019:1,534), in Research and development 0 (31.12.2019:5), in Other income /(expense) 120 (31.12.2019:33) and in inventory (14) (31.12.2019:103).

Company's amortization for the 2020 has been recorded in Cost of sales by 2,755 (31.12.2019:3,177), in Administrative expense by 1,009 (31.12.2019:1,111) and in Other income/(expense) 68 (31.12.2019:31).

The total amount of transfers of the Group and Company in year 2020 of unamortized balance of 14,750, refers to acquired assets of bank leases which were transferred to the item "Tangible assets".

(Amounts in thousands Euro, unless otherwise stated)

10 TANGIBLE FIXED ASSETS

The Group's and the Company's tangible fixed assets and their movements for the periods from 1 January to 31 December 2020 and 2019, in the accompanying financial statements, are analyzed as follows:

GROUP

	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed assets	Total
Acquisition Value							
1st January 2020	**13,104**	**8,978**	**160,618**	**29,282**	**19,344**	**6,954**	**238,280**
Additions	0	7	1,438	517	1,248	6,050	**9,260**
Sales	0	(625)	(9,021)	(1,627)	(1,526)	0	**(12,799)**
Write offs	0	(61)	(5,621)	(437)	(3,352)	0	**(9,471)**
Transfers	0	337	25,441	7,730	7	(5,995)	**27,520**
Foreign exchange differences	0	(41)	(508)	(114)	(145)	0	**(808)**
31st December 2020	**13,104**	**8,595**	**172,347**	**35,351**	**15,576**	**7,009**	**251,982**
Accumulated amortization and impairments							
1st January 2020	**(3,626)**	**(3,819)**	**(102,884)**	**(23,846)**	**(15,097)**	**0**	**(149,272)**
Depreciation	(280)	(272)	(4,898)	(1,356)	(1,092)	0	**(7,898)**
Sales	0	587	7,863	1,456	1,121	0	**11,027**
Write offs	0	61	5,605	437	3,335	0	**9,438**
Impairments	0	0	(48)	0	(1)	0	**(49)**
Reversal of Impairments	0	0	20	5	0	508	**533**

(Amounts in thousands Euro, unless otherwise stated)

Transfers	0	(13)	(9,106)	(3,134)	1	(508)	**(12,760)**
Foreign exchange differences	0	30	482	107	136	0	**755**
31st December 2020	**(3,906)**	**(3,426)**	**(102,966)**	**(26,331)**	**(11,597)**	**0**	**(148,226)**
Net book value							
31st December 2020	**9,198**	**5,169**	**69,381**	**9,020**	**3,979**	**7,009**	**103,756**

GROUP

	Quarries/Land-Plots	**Buildings and Facilities**	**Technological and mechanical equipment**	**Vehicles**	**Other**	**Assets under construction and prepayments for acquisition of fixed assets**	**Total**
Acquisition Value							
1st January 2019	**13,104**	**9,521**	**176,134**	**36,347**	**19,430**	**16,764**	**271,300**
Transfers to Right of use assets	0	0	(24,291)	(6,428)	0	0	**(30,719)**
1st January 2019, Readjusted Balance	**13,104**	**9,521**	**151,843**	**29,918**	**19,430**	**16,764**	**240,580**
Additions	0	304	1,951	763	1,847	7,840	**12,705**
Sales	0	(2,638)	(8,667)	(1,350)	(2,499)	0	**(15,154)**
Write offs	0	0	(9)	(255)	(8)	(298)	**(570)**
Transfers	0	1,712	15,117	143	475	(17,352)	**95**
Foreign exchange differences	0	79	383	63	99	0	**624**
31st December 2019	**13,104**	**8,978**	**160,618**	**29,282**	**19,344**	**6,954**	**238,280**

(Amounts in thousands Euro, unless otherwise stated)

Accumulated depreciations and impairments

1st January 2019	**(3,346)**	**(4,495)**	**(113,842)**	**(26,926)**	**(16,335)**	**0**	**(164,944)**
Transfers to Right of use assets	0	0	8,469	2,868	0	0	**11,337**
1st January 2019, Readjusted Balance	**(3,346)**	**(4,495)**	**(105,373)**	**(24,058)**	**(16,335)**	**0**	**(153,607)**
Depreciation	(280)	(376)	(5,002)	(1,062)	(906)	0	**(7,626)**
Sales	0	1,090	7,863	1,196	2,228	0	**12,377**
Write offs	0	0	9	243	8	0	**260**
Transfers	0	0	0	(113)	0	0	**(113)**
Foreign exchange differences	0	(38)	(381)	(52)	(92)	0	**(563)**
31st December 2019	**(3,626)**	**(3,819)**	**(102,884)**	**(23,846)**	**(15,097)**	**0**	**(149,272)**

Net book value

31st December 2019	**9,478**	**5,159**	**57,734**	**5,436**	**4,247**	**6,954**	**89,008**

(Amounts in thousands Euro, unless otherwise stated)

COMPANY

	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed assets	Total
Acquisition Value							
1st January 2020	**9,538**	**4,163**	**117,613**	**27,076**	**14,686**	**242**	**173,317**
Additions	0	7	1,285	500	1,207	460	**3,459**
Sales	0	(626)	(5,669)	(828)	(761)	0	**(7,884)**
Write offs	0	(61)	(5,615)	(424)	(3,340)	0	**(9,440)**
Transfers	0	0	21,134	5,905	0	(71)	**26,968**
Foreign exchange differences	0	(40)	(157)	(33)	(50)	0	**(280)**
31st December 2020	**9,538**	**3,443**	**128,591**	**32,196**	**11,742**	**631**	**186,140**
Accumulated depreciation and impairments							
1st January 2020	**(3,628)**	**(2,961)**	**(93,099)**	**(21,964)**	**(11,376)**	**0**	**(133,027)**
Depreciation	(280)	(152)	(3,314)	(1,026)	(913)	0	**(5,685)**
Sales	0	587	5,553	657	614	0	**7,411**
Write offs	0	61	5,600	424	3,323	0	**9,408**
Reversal of Impairments	0	0	20	0	0	0	**20**
Transfers	0	0	(9,119)	(3,099)	1	0	**(12,217)**
Foreign exchange differences	0	29	135	25	45	0	**234**
31st December 2020	**(3,908)**	**(2,436)**	**(94,224)**	**(24,983)**	**(8,306)**	**0**	**(133,856)**

(Amounts in thousands Euro, unless otherwise stated)

Net book value							
31st December 2020	**5,630**	**1,007**	**34,367**	**7,213**	**3,436**	**631**	**52,284**

COMPANY

	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed assets	Total
Acquisition Value							
1st January 2019	**9,538**	**4,029**	**141,107**	**33,137**	**14,816**	**1**	**202,627**
Transfers to Right of use assets	0	0	(23,184)	(6,023)	0	0	**(29,207)**
1st January 2019, Readjusted Balance	**9,538**	**4,029**	**117,923**	**27,114**	**14,816**	**1**	**173,420**
Additions	0	288	936	688	1,471	241	**3,624**
Sales	0	(179)	(1,390)	(486)	(1,651)	0	**(3,706)**
Write offs	0	0	(4)	(255)	(6)	0	**(265)**
Foreign exchange differences	0	25	148	15	56	0	**244**
31st December 2019	**9,538**	**4,163**	**117,613**	**27,076**	**14,686**	**242**	**173,317**
Accumulated depreciation and impairments							
1st January 2019	**(3,348)**	**(2,891)**	**(99,229)**	**(24,350)**	**(12,119)**	**0**	**(141,937)**
Transfers to Right of use assets	0	0	8,290	2,654	0	0	**10,945**

(Amounts in thousands Euro, unless otherwise stated)

1st January 2019, Readjusted Balance	**(3,348)**	**(2,891)**	**(90,939)**	**(21,696)**	**(12,119)**	**0**	**(130,992)**
Depreciation	(280)	(150)	(3,179)	(855)	(690)	0	**(5,154)**
Sales	0	99	1,145	353	1,477	0	**3,074**
Write offs	0	0	4	243	6	0	**253**
Foreign exchange differences	0	(19)	(130)	(9)	(50)	0	**(208)**
31st December 2019	**(3,628)**	**(2,961)**	**(93,099)**	**(21,964)**	**(11,376)**	**0**	**(133,027)**
Net book value							
31st December 2019	**5,910**	**1,202**	**24,514**	**5,112**	**3,310**	**242**	**40,290**

(Amounts in thousands Euro, unless otherwise stated)

The transfers of un-depreciated amount of 14,750 refers to acquired bank leases which have been transferred to the item "Right of use assets".

Depreciation of the Group for year 2020 has been recognized in Cost of sales by 6,255 (31.12.2019:5,968), in Administrative and distribution expenses by 930 (31.12.2019:1,001), in Research and development expenses by 59 (31.12.2019:8), in Other income/ (expense) by 734 (31.12.2019:273) and in inventory by (79) (31.12.2019:376).

Depreciation of the Company 5,685 (31.12.2019:5,154) are presented in the Statement of Total Comprehensive Income by 4,835 (31.12.2019:4,313) in Cost of sales, by 619 (31.12.2019:635) in Administrative and distribution expenses and in Other income/(expense) 231 (31.12.2019:206).

There are no encumbrances on property, plant and equipment.

11 INVESTMENT PROPERTY

The movement of the investment property for the fiscal years 2020 and 2019 for the Group and the Company is analyzed as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
Balance 1st January	**8,160**	**8,390**	**7,536**	**7,766**
Fair value adjustments	(99)	(230)	(98)	(230)
Balance 31st December	**8,061**	**8,160**	**7,438**	**7,536**

Investment property is measured at fair value method in accordance with the requirements of IAS 40. Measurement at fair value has been determined taking into account the Company's ability to achieve its maximum and best use by assessing the use of each item that is legally permissible and economically possible. The Group within the fiscal year 2020, made a revaluation of the fair value of its property portfolio by assigning its valuation work to independent property appraisers. Revaluation of fair value of investment property resulted in a loss of 99 (2019: loss of 230) (see Note 35).

The following table presents data concerning the key assumptions taken into consideration for the valuation of the investment properties on 31.12.2020:

(Amounts in thousands Euro, unless otherwise stated)

Property	Fair Value 31.12.2020	Method	Market value	Interest rate	Return
Kos - Land	900	Real estate market	26.5 euro per sq.m.	-	-
Building and Plot position of Lezides Aliveri Evoia	1,087	Real estate market and capitalization of revenues	Building 2.00-5 euro/sqm, land 4.8-11.4 euro/sqm, lease of building 1.6 euro/sqm	12.25	12.25%
Plot in Posidonia position, Laurio, Attica	13	Real estate market	1.87 euro per sqm	-	-
Madoudi, (Evoia) – Plots	624	Real estate market	5.50 euro per sqm	-	-
Bulgaria-Plots (Batac)	5,437	Real estate market /Exploitation	16-20 euro per sqm, 35.94 euro per sqm	-	-
	8,061				

The relative data regarding the key assumptions taken into consideration for the valuation of the investment properties on 31.12.2019 is as follows:

Property	Fair Value 31.12.2019	Method	Market value	Interest rate	Return
Kos - Land	957	Real Estate Market	28 euro per sqm	-	-
Building and Plot position of Lezides Aliveri Evoia	1,122	Real Estate Market and revenues' capitalization	Premise 1.50-4 euro/sqm , land plot 6-10.50 euro/sqm, premise' rent 1.66 euro/sqm	12.25	12.25%
Plot in Posidonia position, Laurio, Attica	13	Real Estate Market	1.87 euro per sqm	-	-
Madoudi, (Evoia) – Plots	624	Real Estate Market	5.50 euro per sqm	-	-
Bulgaria-Plots	5,444	Real Estate Market/Exploitation	34.85 euro per sqm	-	-
	8,160				

There are no encumbrances on investment property.

(Amounts in thousands Euro, unless otherwise stated)

12 PARTICIPATIONS IN SUBSIDIARIES

12.1 Analysis of changes of investments in subsidiaries for the year 2020

The subsidiaries of the Company are presented in detail in Note 5.

The change in the book value of investments in subsidiaries in the Company's financial statements is as follows:

	COMPANY	
	2020	**2019**
Balance 1st January	**117,768**	**104,058**
Additions	24,655	21,248
Sales / Write Off	(248)	0
Impairment loss	(18,645)	(7,538)
Balance 31st December	**123,529**	**117,768**

Additions to the account performed in 2020 are analyzed as follows:

- amount of 4,908 for share capital increase in subsidiary TERNA OVERSEAS LTD
- amount of 19,647 for share capital increase in subsidiary company TERNA LEFKOLITHI S.A.
- amount of 100 for share capital increase in subsidiary company VRONDIS QUARRY PRODUCTS S.A.

Impairment losses recognized within the year amounted to 18,645 and refer to the subsidiary TERNA LEFKOLITHI SA and are further analyzed in Note 12.3 below.

12.2 Control's assessment based on IFRS 10

The company TERNA QATAR LLC, in the share capital of which the Group participates by 35% (through the 100% subsidiary TERNA), is fully consolidated as a subsidiary, as control is presumed in accordance with the requirements of IFRS 10 "Consolidated Financial Statements". More specifically, on a contract basis, the Group essentially holds control of the management and operation of the company in question.
During the year, no changes were made in the above estimates, compared to 31.12.2019.

12.3 Impairment test

In accordance with the accounting policies followed and the requirements of IAS 36, the Company performs an impairment test on the assets at the end of each annual reporting period if there is any indication of impairment. A test may be carried out earlier if any evidence of impairment arises. The evaluation conducted focuses on both extrinsic and endogenous factors. In addition, the Company, in the case of participations that have already been impaired and when there is evidence of reversal, compares the book value with their recoverable value and evaluates the possibility of reversing part or all of the impairment recognized in prior periods.

Regarding the subsidiary TERNA LEFKOLITHI, the Management within the year 2020, considered that there are indications of impairment on its assets and therefore carried out a relevant impairment test in accordance with the requirements of IAS 36 (the company as a whole is a separate and individual Cash Flow Generation Unit - CFGU). The main reasons that were the main indications for impairment are, first of all, its losses for a number of years as well as the decrease of the turnover in the fiscal years 2019 and 2020, and the latter was additionally burdened due to Covid-19 which followed a decrease and temporary cessation of production in the period April-September 2020. Due to the above events, the Management proceeded to the revision of the budgets for the next 5 years taking into account the redesign of the productive activity. Based on the relevant calculations in the corporate financial statements, the need arose to recognize an impairment loss of the participation in the said subsidiary in the amount of 18,645.

Assumptions used to determine value in use
For those cases where evidence of impairment was found, an impairment test was performed in accordance with the requirements of IAS 36. The recoverable amount of each CFGU is determined in accordance with the value in use calculation. Determination arises through the present value of the estimated future cash flows as expected to be generated by each CFGU (discounted cash flow method). This method of determining value in use is affected (sensitively) by the following key assumptions as adopted by the Management for the determination of future cash flows: (a) Preparation of business plans per CFGU: The calculations for determining the recoverable value of CFGU were based on the business plans approved by the Management, based on recently prepared budgets and estimates of the Management, regarding which budgeted operating profit margins and EBITDA are used as well as future estimates, using reasonable assumptions. b) The weighted average cost of capital (WACC): WACC reflects the discounted interest rate on future cash flows of each CFGU, according to which the cost of equity and the cost of long-term borrowing are weighed in order to calculate the total capital cost of the company's capital. The discount rate used for the purposes of determining the value in use is 7.72%.

Recoverable amounts sensitivity analysis
The Management is not currently aware of any other event or condition that would reasonably result in a potential change in any of the key assumptions on which the determination of the recoverable amount of CFGU was based. Nevertheless, on 31.12.2020, the Company analyzed the sensitivity of the recoverable amounts per CFGU in relation to a change in some of the key assumptions presented above. Indicatively, a change in a valuation by (i) 0.25 percentage points in WACC, (ii) 0.50 percentage points in EBITDA margin in perpetuity or (iii) 0.25 percentage points in growth rate in perpetuity can cause an impairment amount ranging from 1.6 million euros to a maximum of 3.4 million euros.

12.4 Subsidiaries with significant percentage of non-controlling interests

The data and the accounts of the financial statements of the significant subsidiary TERNA LEFKOLITHI SA (with scope of business mining and magnesite exploitation), in which there are minority interests of third parties have as follows:

(Amounts in thousands Euro, unless otherwise stated)

	31.12.2020	31.12.2019
Percentage of non-controlling interests	51.02%	51.02%
Statement of Financial Position		
Non-current assets	69,776	65,230
Current assets	14,951	21,885
(Long-term liabilities)	(57,288)	(45,521)
(Short-term liabilities)	(9,330)	(50,346)
Net fixed assets	**18,109**	**(8,752)**
Equity corresponding to non-controlling interests	**19,155**	**6,093**
Statement of Comprehensive Income		
Turnover	6,824	8,783
Net Profit/(Loss)	(13,196)	(18,520)
Other Comprehensive Income	71	(4)
TOTAL COMPREHENSIVE INCOME	**(13,125)**	**(18,524)**
Non-controlling interests from continuing operations	**(7,404)**	**(9,532)**
Statement of Cash Flows		
Net cash flows from operating activities	(4,312)	(7,301)
Net cash flows from investing activities	(5,601)	(6,398)
Net cash (outflows) /inflows from financing activities	8,750	13,646
Net increase/(decrease) in cash and cash equivalents	**(1,163)**	**(53)**
Opening cash and cash equivalents	1,415	1,468
Closing cash and cash equivalents	**252**	**1,415**

The above financial accounts of the subsidiary are before consolidation entries of the broader Group.

13 INVESTMENTS IN JOINT ARRANGEMENTS

13.1 Investments in joint ventures

The Group holds rights in joint ventures, consolidated under equity method in accordance with the provisions of IAS 28 which are presented in Note 5 to the Financial Statements.

(Amounts in thousands Euro, unless otherwise stated)

Changes in investments in joint ventures in 2020 and 2019 are analyzed as follows:

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Balance 1st January	**15,237**	**21,191**	**16,139**	**23,722**
Additions	41,520	3,000	41,520	3,000
Impairment loss	0	0	0	(10,583)
Results from the application of the equity consolidation method	312	(8,954)	0	0
Balance 31st December	**57,069**	**15,237**	**57,659**	**16,139**

On 06.02.2020 following the satisfaction of the Conditions of the Concession Agreement, the State provided to the company INTERNATIONAL AIRPORT HERAKLION CRETE SA. CONCESSION the "License for the Establishment and Construction of a New International Airport of Heraklion, Crete". As a result of this event, TERNA SA proceeded with share capital increases in the specific concession company of a total amount of 41,520.

The most important joint ventures included in this item are HERON II VIOTIA S.A. and INTERNATIONAL AIRPORT HERAKLION CRETE SA CONCESSION (see details Note 5). 100% of the data and items of the financial statements of these joint ventures, for the fiscal year 2020 and 2019 are as follows:

	HERON II VOIOTIA SA		HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION	
Interest	**25.00%**	**25.00%**	**32.46%**	**60.00%**
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Non-current assets	123,170	129,048	109,186	499
Cash and cash equivalents	8,466	12,348	37,921	3,037
Other current assets	27,213	38,055	27,562	156
Total assets	**158,849**	**179,451**	**174,668**	**3,692**
Long-term financial liabilities (less trade and other liabilities and provisions)	67,144	68,600	228	12
Other long-term liabilities	25,982	22,457	100,000	0
Short-term financial liabilities (less trade and other liabilities and provisions)	15,293	13,566	60	12
Other short-term liabilities	7,279	33,135	1,847	171
Total liabilities	**115,698**	**137,758**	**102,135**	**195**
Net assets	**43,151**	**41,693**	**72,534**	**3,497**

(Amounts in thousands Euro, unless otherwise stated)

Carrying amount of investments in financial statements	**10,788**	**10,423**	**43,566**	**2,098**
Turnover	74,260	144,363	17,262	0
(Depreciation / Amort.)	(9,694)	(10,951)	(43)	(8)
(Financial expenses)	(8,868)	(7,517)	(9)	(1)
Financial income	28	63	0	0
Tax expenses	(3,379)	(3,794)	51	23
Results from continuing operations	**1,441**	**(32,197)**	**(162)**	**(74)**
Other comprehensive income	18	(10)	0	0
Total Results	**1,459**	**(32,207)**	**(162)**	**(74)**
Share in the results of the Group	360	(8,049)	(53)	(44)
Share in the other comprehensive results of the Group	5	(3)	0	0
Share in the total comprehensive results of the Group	**365**	**(8,052)**	**(53)**	**(44)**

It is noted that after the start date of the concession and in accordance with the provisions of the concession agreement, the percentages of participation in the share capital were formed in: TERNA SA. 32.46%, GMR Airports Limited 21.64%, and Greek State with 45.9%. The above percentages are valid as of 06.02.2020. However, according to the Concession Agreement, TERNA and GMR Airports Limited have undertaken the obligation to fully cover the amount of the share capital increase in proportion (pro rata) to the previous participation percentage of each, i.e. percentages of 60% and 40% respectively.

13.2 Investments in joint operations – Proportional consolidation

The companies accounted for using the proportionate consolidation method in consolidated and separate financial statements of the Company are analytically presented in Note 5. These companies refer to joint operations' schemes with partners-shareholders and basically are tax construction joint operations, which do not constitute a separate entity under IFRS. Their assets and liabilities are consolidated, in accordance with the proportion of the participating interest, in the Group and Company financial statements.

The following amounts-before omissions- are included in the consolidated and separate Financial Statements for FYs 2020 and 2019 and represent the Group's share in assets and liabilities as well as on profit after tax of the jointly controlled entities.

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Non-current assets	7,815	7,972	7,093	7,526
Other current assets	153,577	133,277	146,864	121,510
Total assets	**161,392**	**141,249**	**153,958**	**129,036**
Long-term liabilities	16,892	1,957	16,770	1,877
Other short-term liabilities	143,989	135,801	141,232	128,070
Total liabilities	**160,881**	**137,758**	**158,002**	**129,947**
Equity	**511**	**3,491**	**(4,044)**	**(911)**
Turnover	95,592	81,002	87,302	57,439
Total income after tax	1,236	1,756	448	(33)
Profit after tax	**(2,147)**	**(6)**	**(3,516)**	**(2,062)**

14 OTHER LONG-TERM RECEIVABLES

The account "Other long-term receivables" on 31.12.2020 and 31.12.2019 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Loans to joint ventures and other related companies	17,366	95,807	58,620	125,474
Approved but not collected grants	10,441	10,441	0	0
Given guarantees	1,039	1,176	591	727
Withheld amounts of invoiced receivables	9,810	6,809	0	0
Other long-term receivables	861	899	862	899
Provision for impairment of long-term financial assets	(12)	(64)	(16)	(177)
Total	**39,505**	**115,068**	**60,057**	**126,923**

Regarding the account "Loans to joint ventures and other related companies" within 2020, there were collected from related parties outside TERNA loans of 84,609, interest of 4,028 was accounted for and interest amounting to 2,451 was collected.

An amount of 10,441 relates to an approved subsidy of the industrial unit of dipyris magnesia based on specific business pan (initial and modified) which has been submitted respectively to the Ministry of Development. The respective subsidy has not yet been collected while it is expected to be submitted a relevant request to the Ministry within the second semester of 2021.

(Amounts in thousands Euro, unless otherwise stated)

15 INVENTORY

The account "inventories" on 31.12.2020 and 31.12.2019 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Raw-auxiliary materials	4,056	3,741	3,172	2,724
Spare parts of fixed assets	25	25	25	25
Merchandise and Finished and semi-finished products	21,597	22,325	4,290	4,579
Property under construction	2,196	2,196	0	0
Impairment	(9,829)	(5,922)	(1,050)	(1,139)
Total	**18,045**	**22,365**	**6,437**	**6,189**

The account "Finished and semi-finished products" relates mainly to mined magnesite ore (processed and unprocessed).

In total the Group recognized, during the annual procedure of net realizable value audit for its inventories and property, losses of 4,509 (31.12.2019:4,275) in Other income/(expenses) in Total Comprehensive Income Statement (see note 35).

With the exception of the above cases, there was no need for impairment of inventories on 31.12.2020.

The inventories are not burdened with liens.

16 TRADE RECEIVABLES

The "Trade receivables" of the Group and the Company on 31.12.2020 and 31.12.2019 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Trade receivables	173,368	249,562	198,822	242,876
Customers – Doubtful and litigious	4,903	4,924	4,659	4,668
Notes / Checks Receivable overdue	824	824	824	824
Checks Receivable	1,100	2,206	1,100	2,206
Minus: Provisions for doubtful trade receivables	(19,376)	(19,217)	(18,848)	(18,726)
Total	**160,819**	**238,299**	**186,557**	**231,848**

The book values of trade receivables represent their fair value.

At every reporting date, the Group tests the receivables for any impairments, in accordance with the requirements of IFRS 9 and the expected credit losses. The maximum exposure to credit risk on the financial statements reporting date is the book value of every category, collectible as mentioned above. Provisions for impairment of trade receivables for the years 2020 and 2019 are analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2019	**0**	**390**	**18,282**	**18,672**
Provision of credit loss	0	216	1,645	1,861
Recovery of provision of credit loss	0	(367)	(699)	(1,066)
Eliminations	0	0	(274)	(274)
Foreign exchange differences	0	3	21	24
Balance 31.12.2019	**0**	**242**	**18,975**	**19,217**

	GROUP			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2020	**0**	**242**	**18,975**	**19,217**
Provision of credit loss	0	711	0	711
Recovery of provision of credit loss	0	(115)	(306)	(421)
Other transfers	0	3	48	51
Foreign exchange differences	0	(1)	(181)	(182)
Balance 31.12.2020	**0**	**840**	**18,536**	**19,376**

	COMPANY			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2019	**0**	**319**	**17,790**	**18,109**
Provision of credit loss	0	222	1,645	1,867
Recovery of provision of credit loss	0	(300)	(695)	(995)
Eliminations	0	0	(273)	(273)
Foreign exchange differences	0	1	17	18
Balance 31.12.2019	**0**	**242**	**18,484**	**18,726**

	COMPANY			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2020	**0**	**242**	**18,484**	**18,726**
Provision of credit loss	0	668	0	668
Recovery of provision of credit loss	0	(120)	(306)	(426)
Other transfers	0	1	48	49
Foreign exchange differences	0	0	(169)	(169)
Balance 31.12.2020	**0**	**791**	**18,057**	**18,848**

The following table analyzes the total of trade receivables as well as the maturity of outstanding postdated trade receivables:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Non outstanding balances	143,032	210,669	151,645	203,013
Outstanding balances	37,163	46,847	53,760	47,561
Total trade receivables	**180,195**	**257,516**	**205,405**	**250,574**

The maturity of outstanding postdated trade receivables is analyzed as follows:

GROUP 2020

	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	143,032	1,559	10,838	5,957	18,809	180,195
Expected credit loss	(292)	(8)	(1,691)	(3,231)	(14,154)	(19,376)
Total	**142,740**	**1,551**	**9,147**	**2,726**	**4,655**	**160,819**

GROUP 2019

	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	210,669	3,549	16,773	7,467	19,059	257,516
Expected credit loss	(140)	0	(7)	(4,737)	(14,333)	(19,217)
Total	**210,529**	**3,549**	**16,766**	**2,730**	**4,726**	**238,299**

COMPANY 2020

	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	151,645	11,160	15,192	6,466	20,942	205,405
Expected credit loss	(272)	(8)	(1,691)	(3,228)	(13,649)	(18,848)
Total	**151,373**	**11,151**	**13,501**	**3,238**	**7,293**	**186,557**

COMPANY 2019

	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	203,013	3,129	15,514	9,416	19,502	250,574
Expected credit loss	(140)	0	(7)	(4,737)	(13,842)	(18,726)
Total	**202,873**	**3,129**	**15,507**	**4,679**	**5,660**	**231,848**

The non-post-dated amounts include an amount of 35.9 million euros (31.12.2019:66.7 million euros), which relates to withholdings for good performance (retained guarantees).

(Amounts in thousands Euro, unless otherwise stated)

As a total, as far as the Group is concerned, receivables after impairment that are post-dated for longer than 12 months stand at 7,381 for the Group and at 10,531 for the Company. These receivables relate to Public Bodies, Related Parties and Third Parties and are, according to the Management's estimates, recoverable.

In the context of the Group's operations, necessary measures are taken on a case basis to ensure collecting the receivables.

Finally, an important guarantee for the collection of balances are the received advances concerning construction contracts, which on 31.12.2020 amounted to 251.7 million euros (31.12.2019:183.5 million euros).

17 RECEIVABLES / LIABILITIES FROM CONTRACTS WITH CUSTOMERS

The receivables from contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Receivables from construction contracts with customers	108,307	89,842	76,618	60,500
Receivables from other contracts with customers	451	621	450	621
Less: Impairments of receivables from contracts with customers	(10,030)	(10,437)	(60)	43
Total	**98,728**	**80,026**	**77,008**	**61,164**

The provisions for impairment of receivables from contracts with customers are analyzed according to IFRS 9 as following:

	GROUP			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2019	**0**	**6,176**	**(75)**	**6,101**
Provision of credit loss	0	4,507	0	4,507
Recovery of provision of credit loss	0	(171)	0	(171)
Balance 31.12.2019	**0**	**10,512**	**(75)**	**10,437**

	GROUP			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2020	**0**	**10,512**	**(75)**	**10,437**
Provision of credit loss	0	58	75	133
Recovery of provision of credit loss	0	(31)	0	(31)
Other transfers	0	(2)	0	(2)
Foreign exchange differences	0	(507)	0	(507)
Balance 31.12.2020	**0**	**10,030**	**0**	**10,030**

(Amounts in thousands Euro, unless otherwise stated)

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	**0**	**194**	**(75)**	**119**
Provision of credit loss	0	9	0	9
Recovery of provision of credit loss	0	(171)	0	(171)
Balance 31.12.2019	**0**	**32**	**(75)**	**(43)**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**32**	**(75)**	**(43)**
Provision of credit loss	0	58	75	133
Recovery of provision of credit loss	0	(30)	0	(30)
Balance 31.12.2020	**0**	**60**	**0**	**60**

In 2017, the Group launched a lawsuit, claiming contractual claims (plus interest and arbitration costs) relating to a construction project carried out (through TERNA Contracting subsidiary) in Bahrain. At that time, the amount of the Group's recognized non-invoiced receivables from the execution of the specific construction contract amounted to Euro 15.4 million (BH 6.5 million). On 31.12.2019, the Group on the above balance has recognized cumulative provisions for possible credit losses of Euro 10.5 million (BD 4.6 million). Within 2020 and in specific on 25.05.2020 it was issued the multi-page court decision of the ICC International Court of Arbitration and states that the amount of Euro 11.1 million (BD 4.7 million) is awarded for the benefit of the Group.

The company initiated the proceedings for the execution of the above decision of the I.C.A., while the opposing company in October 2020 filed an appeal to the High Court against the execution of the decision, and after the 29 December rejection decision in February 2021 filed a second appeal with the Supreme Court, again seeking a suspension of execution. The second appeal was also rejected and so the Execution Court, after the first instance acquittal of the company by the High Court, has started the process of execution of the decision of the ICA, having submitted an application to the Central Bank of Bahrain to investigate and find the deposits of the other party Sharaka for Housing Projects BSCC in the commercial banks, in order to satisfy the decision of the ICA. Within 2021, upon completion of this process, the Management will consider the reversal of the already recognized credit loss provisions (which reversal can amount to up to 6.5 million euros - BD 2.8 million).

The liabilities in relation to contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Customer advances	129,968	159,629	110,665	107,998
Non-completed liabilities from construction contracts	83,852	92,457	71,821	76,031
Total	**213,820**	**252,086**	**182,486**	**184,029**

(Amounts in thousands Euro, unless otherwise stated)

The changes in Receivables and liabilities from Contracts with customers within the current fiscal year are due to the following factors:

Receivables from contracts with customers	**GROUP**
Balance 01.01.2019	**197,861**
Effect due to execution of existing contracts	(110,938)
Income for the period from new contracts	3,148
Foreign exchange differences	391
Balance 31.12.2019	**90,463**
Balance 01.01.2020	**90,463**
Effect due to execution of existing contracts	18,606
Income for the period from new contracts	1,099
Foreign exchange differences	(1,409)
Balance 31.12.2020	**108,758**

Liabilities due to contracts with customers	**GROUP**
Balance 01.01.2019	**88,285**
Effect due to execution of existing contracts	(18,809)
Income for the period from new contracts	22,906
Foreign exchange differences	75
Balance 31.12.2019	**92,457**
Balance 01.01.2020	**92,457**
Effect due to execution of existing contracts	(19,051)
Income for the period from new contracts	10,522
Foreign exchange differences	(76)
Balance 31.12.2020	**83,852**

The contractual liabilities of the Group amount to 83,852 (31.12.2019: 92.457). The income recognized during the year 2020, which relates to contractual obligations that existed on 31.12.2019 amounts to 92,457.

(Amounts in thousands Euro, unless otherwise stated)

18 PREPAYMENTS AND OTHER RECEIVABLES

The “Prepayments and other receivables” on 31st December 2020 and 31st December 2019 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
Prepayments and other short-term non-financial receivables	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Advances to suppliers	27,286	32,142	24,607	28,182
VAT for rebate – offsetting	5,716	8,651	4,716	6,680
Prepayment to insurance funds (Social Security Organization of technical works)	4,316	4,463	4,316	4,461
Accounts for the management of prepayments and credits	1,183	1,841	868	1,639
Other deferred and prepaid expenses	5,458	6,275	4,785	4,351
Other transitory asset accounts	314	235	318	235
Total	**44,273**	**53,607**	**39,610**	**45,549**

	GROUP		COMPANY	
Other short-term financial receivables	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Receivables from J/V, related companies and other associates	10,918	3,986	22,453	16,044
Short-term part of granted long-term loans	351	4,946	351	4,946
Financial receivables from other various debtors	9,700	8,401	11,847	10,181
Blocked bank deposit accounts	210	1,406	24	50
Doubtful – Litigious other receivables	1,111	1,111	1,111	1,111
Less: Impairments of other short-term financial receivables	(12,083)	(12,316)	(11,930)	(12,146)
Total	**10,207**	**7,534**	**23,856**	**20,186**
Total prepayments and other receivables	**54,480**	**61,141**	**63,466**	**65,735**

The movement in the provision for impairment of these current assets of the Group and the Company, following the application of the requirements of IFRS 9, is as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	**0**	**341**	**10,207**	**10,548**
Provision of credit loss	0	25	3,002	3,027
Recovery of provision of credit loss	0	(173)	(500)	(673)
Eliminations	0	0	(590)	(590)
Foreign exchange differences	0	1	4	5
Balance 31.12.2019	**0**	**193**	**12,123**	**12,316**

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**193**	**12,123**	**12,316**
Provision of credit loss	0	100	0	100
Recovery of provision of credit loss	0	(177)	0	(177)
Eliminations	0	0	(98)	(98)
Other transfers	0	0	(48)	(48)
Foreign exchange differences	0	0	(10)	(10)
Balance 31.12.2020	**0**	**116**	**11,967**	**12,083**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2019	**0**	**336**	**10,020**	**10,356**
Provision of credit loss	0	50	3,002	3,052
Recovery of provision of credit loss	0	(173)	(500)	(673)
Eliminations	0	0	(589)	(589)
Balance 31.12.2019	**0**	**213**	**11,933**	**12,146**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**213**	**11,933**	**12,146**
Provision of credit loss	0	103	0	103
Recovery of provision of credit loss	0	(173)	0	(173)
Eliminations	0	0	(98)	(98)
Other transfers	0	0	(48)	(48)
Balance 31.12.2020	**0**	**143**	**11,787**	**11,930**

19 INVESTMENT IN EQUITY INTERESTS

The movement of investments in equity interest in 2020 and 2019 is analyzed as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
Balance 1st January	**12,176**	**11,125**	**8,118**	**6,148**
Reductions	(53)	(919)	(53)	0
Adjustment at fair through the	107	1,970	107	1,970
Balance 31st December	**12,230**	**12,176**	**8,172**	**8,118**

(Amounts in thousands Euro, unless otherwise stated)

All of the above investments relate to shares of unlisted securities, the most important of which are listed in more detail in note 42.

Profit from the measurement at fair values was included in Other comprehensive income in the Statement of Comprehensive Income, which is not reclassified to profit or loss in subsequent periods.

20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents on 31 December 2020 and 31 December 2019 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Cash in hand	86	97	60	70
Sight Deposits	266,587	196,894	177,735	111,996
Term Deposits	1,053	2,953	0	1,900
Total	**267,726**	**199,944**	**177,795**	**113,966**

Term deposits have a usual duration of 3 months and carry interest rates ranged during the year between 0.1%-0.35% (0.2%-1% in the previous year respectively).

Furthermore, the Group holds blocked deposits amounting to 210 (1,406 in the previous year), which are held in specific bank accounts in order to settle its short-term operating and financial liabilities. These blocked deposits are classified in the account "Advances and other receivables" (see note 18).

21 BORROWINGS

The long-term loans in the accompanying separate and consolidated financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Long-term loans	111,762	169,044	110,605	157,794
Less: Long term liabilities payable during the next financial year	(7,893)	(16,657)	(7,856)	(6,348)
Long-term part of loan	**103,869**	**152,387**	**102,749**	**151,446**

The repayment period of long-term loans is analyzed in the following table:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Up to 1 Year	7,893	16,657	7,856	6,348
Between 1 - 5 Years	38,720	67,153	38,045	66,212
Over 5 Years	65,149	85,234	64,704	85,234
Total	**111,762**	**169,044**	**110,605**	**157,794**

The total financial cost of long-term and short-term loan liabilities, for the fiscal year 2020 and the corresponding comparative fiscal year 2019, is included in the account "Net financial income / (expenses)" of the consolidated and separate Income Statement. The average interest rate of the Group for the fiscal year ended 31.12.2020 stood at 3.9% (31.12.2019: 3.9%).

The Group's long term debt is by 100% in euro (100% at the end of the previous year) and represents approximately the 55.65 % of the Group's total debt (64.91% at the end of the previous year). The long term debt mainly covers financing needs for the investments of construction segments of the Group.

Within the year 2020, the amount of 178.8 million euro was repaid for long-term bank debt (2019:53.1 million euro), whereas the amount of 106.6 million euro was collected from new bank loans (2019:31.1 million euro).

As at 31.12.2020 the total bank liabilities amount to 106,187 of which 12,500 relate to long-term bank bond loans, 4,633 relate to long-term loan liabilities payable in the next 12 months and 89,054 relate to the total short-term bank debt of the Group. During the year, the TERNA Group repaid bank loan obligations amounting to 206,501.

Further within the year 2020, the Group undertook a new short-term bank loan of 50,620 from financial institutions. The liquidity raised was mainly used for the financing of an investment in a consortium in which TERNA participates and to the repayment of existing short-term bank loans.

The condensed movement of short-term and long-term borrowing of the Group and the company on 31.12.2020 and 31.12.2019 was as follows:

	GROUP		COMPANY	
Long-term loans	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Opening balance	**169,044**	**190,747**	**157,794**	**178,900**
Capital withdrawals	106,590	31,131	96,000	30,100
Capital payments	(178,858)	(53,109)	(142,923)	(51,684)
Interest payments	(6,130)	(5,986)	(6,023)	(5,210)
Loan interest in financial results (note 37)	6,244	7,124	5,757	6,608
Write off	0	(108)	0	0
Foreign exchange differences	(5)	165	0	0
Transfers / reclassification from short term loans	14,877	(920)	0	(920)
Closing balance	**111,762**	**169,044**	**110,605**	**157,794**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
Short-term loans	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Opening balance	**94,179**	**81,255**	**64,094**	**49,342**
Capital withdrawals	50,620	21,852	50,620	21,831
Capital Payments	(41,768)	(9,306)	(26,747)	(7,347)
Interest payments	(3,410)	(3,283)	(2,881)	(1,863)
Loan interest in financial results (note 37)	4,311	3,541	3,968	2,053
Foreign exchange differences	0	121	0	78
Transfers / Reclassification to long term loans	(14,878)	0	0	0
Closing balance	**89,054**	**94,179**	**89,054**	**64,094**

22 LEASE LIABILITES

Lease liabilities as at 31 December 2020 and 31 December 2019 are analyzed as following in the accompanying financial statements:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Liabilities from bank leases (long-term)	200	506	200	506
Liabilities from bank leases (short-term)	326	6,342	310	6,162
Sub-total of bank leases (a)	**526**	**6,848**	**510**	**6,668**
Liabilities from third parties leases (long-term)	3,657	4,637	3,211	3,654
Liabilities from third parties leases (short-term)	2,508	3,206	1,952	2,434
Sub-total of third parties leases (b)	**6,165**	**7,843**	**5,163**	**6,088**
Total leases (a)+(b)	**6,691**	**14,691**	**5,673**	**12,756**

The repayment period regarding lease liabilities is analyzed in the tables below as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Up to 1 Year	2,834	9,548	2,262	8,596
Between 1 - 5 Years	3,457	4,518	3,011	3,565
Over 5 Years	400	625	400	595
Total	**6,691**	**14,691**	**5,673**	**12,756**

The movement of the respective liabilities during the fiscal years 2020 and 2019 is presented as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
Liabilities from leases	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Opening balance	**14,691**	**11,881**	**12,756**	**11,458**
Adjustments from IFRS 16	0	10,810	0	8,433
1st January, Readjusted Balance	**14,691**	**22,691**	**12,756**	**19,891**
Repayments of lease contracts	(10,011)	(8,994)	(9,094)	(7,850)
Payments of interest	(497)	(945)	(430)	(834)
Liabilities from new contracts	2,524	2,364	2,325	1,689
Foreign exchange differences	(39)	20	(7)	0
Financial cost for the period (note 37)	497	943	430	833
Termination of lease	(474)	(1,388)	(307)	(973)
Closing balance	**6,691**	**14,691**	**5,673**	**12,756**
Long-term liabilities from leases	**3,857**	**5,143**	**3,411**	**4,160**
Short-term liabilities from leases	**2,834**	**9,548**	**2,262**	**8,596**

23 PROVISION FOR STAFF INDEMNITIES

According to Greek labor legislation, every employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of the indemnity depends on the length of service with the company and the employee's wages the day he/she is dismissed or retires. Employees that resign or are justifiably dismissed are not entitled to such an indemnity.

The indemnity payable in case of retirement in Greece is equal to 40% of the indemnity calculated in case of dismissal. According to the practices in the countries where the subsidiaries of the Group are operating in, staff indemnity programs are usually not funded.

The estimates for staff indemnity liabilities were determined through an actuarial study. The following tables present an analysis of the net expenditure for the relevant provisions recorded in the consolidated net earnings for the financial year ended on the 31st of December, 2020 and the movement of the relevant provision accounts for staff indemnities presented in the attached consolidated Statement of financial position for the year ended on 31st December 2020.

The expense for staff indemnities which was recognized by the Group in Income Statement and was recorded in Cost of sales by 1,708, in Administrative and distribution expenses by 734 and in financial expenses by 26 (923, 194 and 38 during the previous year, respectively), and by the Company in Cost of Sales by 658, Administrative and distribution expenses by 322 and financial expenses by 24 (941, 20, 36 in the previous year), and is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Current service cost	696	707	366	350
Financial cost	26	38	24	36
Effect of cut-backs or settlements	1,841	616	614	610
Recognition of actuarial (profits) / losses	(160)	55	(88)	50
Total	**2,403**	**1,416**	**916**	**1,046**

The changes in the relative provisions in the Statement of financial position are as follows:

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Balance as at 1 January	**4,935**	**6,621**	**3,384**	**4,000**
Provision recognized in Net earnings	2,468	1,154	1,004	996
Provision recognized in Other Comprehensive Income	(160)	55	(88)	50
Provision recognized in inventories	95	207	0	0
Foreign exchange differences	(117)	86	(45)	32
Compensation payments	(3,607)	(3,188)	(1,390)	(1,694)
Transfers	3	0	3	0
Balance 31 December	**3,617**	**4,935**	**2,868**	**3,384**

The key actuarial assumptions for the years 2020 and 2019 are as follows:

	2020	**2019**
Discount rate	0.60%	1.00%
Future salaries increases	1.25%	1.25%
Inflation	1.50%	1.50%
Movement of salaried workers (departure under their own will)	1%	1%
Mortality	EVK 2000	MT_EAE2012P

The following table presents the sensitivity of the staff indemnity provision in total results in cases of changes occurring in certain actuarial assumptions.

(Amounts in thousands Euro, unless otherwise stated)

	GROUP	COMPANY
Change in discount rate +0,5% & Change in salaries	(179)	(170)
Change in discount rate -0,5%	198	188
Change in salaries + 0,5%	193	184
Change in salaries - 0,5%	(178)	(169)

24 OTHER PROVISIONS

The changes in the relevant provisions in the Statement of financial position for 2020 and 2019 are as follows:

	GROUP			COMPANY		
	Provisions for environmental rehabilitation	**Other provisions**	**Total**	**Provisions for environmental rehabilitation**	**Other provisions**	**Total**
1st January 2020	**114**	**12,193**	**12,307**	**114**	**10,993**	**11,107**
Provision recognized in the results	0	(704)	**(704)**	0	(676)	**(676)**
Transfer from/ (to) another account	0	(1,135)	**(1,135)**	0	(1,162)	**(1,162)**
Foreign exchange differences	0	(167)	**(167)**	0	(168)	**(168)**
31st December 2020	**114**	**10,187**	**10,301**	**114**	**8,987**	**9,101**

	GROUP			COMPANY		
	Provisions for environmental rehabilitation	**Other provisions**	**Total**	**Provisions for environmental rehabilitation**	**Other provisions**	**Total**
1st January 2019	**114**	**22,095**	**22,209**	**114**	**20,895**	**21,009**
Provision recognized in the results	0	(6,854)	**(6,854)**	0	(6,820)	**(6,820)**
Provisions used	0	(2)	**(2)**	0	0	**0**
Transfer from/ (to) another account	0	(3,055)	**(3,055)**	0	(3,092)	**(3,092)**
Foreign exchange differences	0	9	**9**	0	10	**10**
31st December 2019	**114**	**12,193**	**12,307**	**114**	**10,993**	**11,107**

(Amounts in thousands Euro, unless otherwise stated)

The item “Other provisions” in the above table is analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Provisions for tax for tax non-inspected years	2,250	3,250	2,050	3,050
Provisions for litigations	5,392	4,830	4,392	3,830
Provision for loss-bearing construction contracts	0	1,433	0	1,433
Other provisions	2,545	2,680	2,545	2,680
Total	**10,187**	**12,193**	**8,987**	**10,993**

25 GRANTS

The changes in grants in the Statement of financial position for 2020 and 2019 are as follows:

	GROUP	
	2020	**2019**
Balance 1st January	**14,185**	**14,318**
Amortization of grants on fixed assets recognized in net results (Note 40)	(153)	(81)
Amortization of grants on fixed assets recognized in inventories	20	(52)
Balance 31st December	**14,052**	**14,185**

The grants refer to the investment scheme of the subsidiary TERNA LEFKOLITHI. The grants are amortized in accordance to the granted assets’ depreciation or utilization rates.

The respective account includes approved as well as not collected grants, of a total amount of 10,441 (Note 14), which were recognised based on the certainty that the Group’s Management has that all the conditions for the collection of them are met and that these amounts will be collected following the final approval of the relative investment’s completion.

26 SUPPLIERS

As at 31 December 2020 and 31 December 2019, the account of Suppliers in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Suppliers	166,508	195,667	145,170	174,347
Checks and notes payable	4,681	2,854	4,572	1,614
Total	**171,189**	**198,521**	**149,742**	**175,961**

(Amounts in thousands Euro, unless otherwise stated)

The balance of the item arises by the amount of 164,306 (31.12.2019: 191,243) from the construction segment, and amount of 6,883 (31.12.2019:7,278) from the industrial segment of the Group.

27 ACCRUED AND OTHER LIABILITIES

As at 31st December 2020 and 31st December 2019, Accrued and other liabilities (long and short term) in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
Other long-term financial liabilities	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Withheld amounts and guarantees to suppliers	122	1,435	0	1,355
Other long-term financial liabilities	0	90	1,709	6,283
Total	**122**	**1,525**	**1,709**	**7,638**

	GROUP		COMPANY	
Other long-term non-financial liabilities	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Collected advances from contracts with customers	121,783	23,846	113,783	23,846
Total	**121,783**	**23,846**	**113,783**	**23,846**
Total other long-term liabilities	**121,905**	**25,371**	**115,492**	**31,484**

The balance of the account "Collected advances from customers relating to construction agreements" concerns mainly the collected advance from the client of the project INTERNATIONAL AIRPORT OF IRAKLEION CRETE of amount 91,065.

	GROUP		COMPANY	
Accrued and other short-term financial liabilities	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Liabilities to members of j/v and other associates	2,849	1,577	7,383	5,568
Accrued expenses	12,732	9,748	8,835	2,788
Acquisition under settlement	630	9,753	630	9,753
Sundry Creditors	8,138	7,084	4,671	5,038
Total	**24,349**	**28,162**	**21,519**	**23,147**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
Other short-term non-financial liabilities	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Liabilities from taxes and duties	7,332	12,151	7,165	11,587
Social security funds	3,213	3,207	2,884	2,781
Provisions for loss-bearing construction contracts	5,252	5,100	5,252	5,071
Total	**15,797**	**20,458**	**15,301**	**19,439**
Total Accrued and other short-term liabilities	**40,146**	**48,620**	**36,820**	**42,586**

28 FINANCIAL DERIVATIVE INSTRUMENTS

Financial derivatives instruments are measured at their fair value (see Notes 4.10.6)

Interest rate swaps

The Group, in order to manage the interest rate risk to which it is exposed, has signed interest rate swaps contracts.

Interest rate swaps objective had as an aim the hedging of risk stemming from negative variation of future cash outflows arising from interest on loan agreements signed in the context of its activities in the construction sector. Specifically, interest rate swaps relate to contracts where the floating interest rate on the loan is converted into fixed over the entire term of the loan so that the Company is protected against any potential increase in interest rates.

Within October 2020 the Company repaid the total amount of debt related to the interest rate swaps. From the closing of the respective contracts it was recognised in the other total comprehensive income, profit of 759 and an amount of profit of 674 was reclassified to the result of the period and in specific in the account “Net financial income/(expense)” as it is analyzed in note 37 in the line “Results from derivatives’ valuation”.

29 SHARE CAPITAL

As of 31.12.2020, the share capital of the Company amounts to 55,460,000 euro, fully paid and divided into 554,600 common shares with a nominal value of 100 euro each. Each share of the Company provides the right to one vote. The account of share premium amounts to 62,702 on 31.12.2020.

(Amounts in thousands Euro, unless otherwise stated)

30 RESERVES

The Group and the Company reserves in 2020 and 2019 in the accompanying financial statements are analyzed as follows:

GROUP	Statutory reserves	Reserves from fair value difference of assets through Other Comprehensive Income	Differences from cash flows risk hedges reserves	Reserves from participating interest in other comprehensive income of associates and joint ventures	Reserves of foreign currency translation differences from incorporation of foreign operations	Development and tax legislation reserves	Actuarial revenue/losses from defined benefit plan reserves & other reserves	Total
1st January 2019	**14,591**	**584**	**0**	**(18)**	**692**	**38,061**	**4**	**53,914**
Earnings from other comprehensive income	0	1,505	(577)	(2)	(597)	0	(40)	289
Formation of reserves	107	0	0	0	0	81	0	188
31st December 2019	**14,698**	**2,089**	**(577)**	**(20)**	**95**	**38,142**	**(36)**	**54,391**
1st January 2020	**14,698**	**2,089**	**(577)**	**(20)**	**95**	**38,142**	**(36)**	**54,391**
Earnings from other comprehensive income	0	81	577	4	3,760	0	95	4,517
Formation of reserves	570	0	0	0	0	(2,822)	0	(2,252)
Granting stock options	0	0	0	0	0	0	479	479
31st December 2020	**15,268**	**2,170**	**0**	**(16)**	**3,855**	**35,320**	**538**	**57,135**

(Amounts in thousands Euro, unless otherwise stated)

COMPANY	Statutory reserves	Reserves from fair value difference of assets through Other Comprehensive Income	Differences from cash flows risk hedges reserves	Reserves of foreign currency translation differences from incorporation of foreign operations	Development and tax legislation reserves	Actuarial revenue/losses from defined benefit plan reserves & other reserves	Total
1st January 2019	**13,350**	**584**	**0**	**647**	**37,680**	**20**	**52,281**
Earnings from other comprehensive income for the year	0	1,505	(577)	(394)	0	(37)	497
31st December 2019	**13,350**	**2,089**	**(577)**	**253**	**37,680**	**(17)**	**52,778**
1st January 2020	**13,350**	**2,089**	**(577)**	**253**	**37,680**	**(17)**	**52,778**
Earnings from other comprehensive income for the year	0	81	577	2,794	0	67	3,519
Formation of reserves	0	0	0	0	(2,974)	0	(2,974)
Granting stock options	0	0	0	0	0	479	479
31st December 2020	**13,350**	**2,170**	**(0)**	**3,047**	**34,706**	**529**	**53,802**

Statutory reserve

Under the Greek legislation, companies are required to transfer at least 5% of their annual net profits in accordance with their accounting books and records to statutory reserves until such reserves equal one third of their share capital. These reserves shall not be distributed but can be used in order to write off losses.

Development and tax legislation reserves

These reserves relate to profits that have not been taxed at the effective tax rate according to the applicable tax framework. Such reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their transfer to equity under specific circumstances.

Cash flows risk hedging reserves

Cash flows hedging reserves are used to record profit or losses on derivative financial instruments, which may be designated as cash flow hedges and recognized in other comprehensive income. When the transaction to which the hedging relates affects the statement of comprehensive income, then the corresponding amounts are also transferred from the other comprehensive income to the statement of comprehensive income.

Stock Options scheme:

The Extraordinary General Meeting of 09.12.2019 of GEK TERNA SA approved the Remuneration Policy of the said company, in accordance with articles 110 and 111 of law 4548/2018. In the context of the preparation of the Remuneration Policy, a new program was approved (abolished by the approved by the 26.06.2018 General Meeting) to provide a stock option up to the limit of 4,000,000 shares of GEK TERNA SA for the five years 2019-2023, which will be addressed to up to 20 executives. More specifically, it was proposed that 50% of the options will be allocated to the Chief Executive Officer, 30% to senior management and members of the Board of Directors of GEK TERNA SA and the Group companies and 20% to other executives who hold management positions or generally managerial or responsible positions in GEK TERNA Group. The program will be implemented, provided that the objectives set by the Board of Directors are met, with the issuance of new shares or with the disposal of own shares and in accordance with article 113 par. 2 of Law 4548/18. The offering price of the shares to the beneficiaries was proposed to be 2.00 euro per share. The Board of Directors of GEK TERNA SA was authorized to further determine the beneficiaries, the manner of exercising the right and the other terms of the program, as well as to regulate all relevant procedural issues for the implementation of the decision.

During its meeting of 20.02.2020, the Board of Directors of GEK TERNA SA approved the offering price of the shares to the beneficiaries in the amount of 2.00 euro per share and initially appointed 16 executives of the GEK TERNA Group for their inclusion in the Program, as well as specific terms of the program mainly related to the fulfilment of performance conditions that are not related to the market (i.e. EBITDA of operating sectors, distributions in the parent company, etc.). On 08.07.2020 in a new meeting, the Board of Directors of GEK TERNA SA approved further terms of the program related to the fulfilment of market performance conditions (share price). At its meeting of 23.12.2020, the Board of Directors of GEK TERNA SA determined the final beneficiaries of the program and the distribution percentage according to the suggestion of the Nominations and Remuneration Committee (hereinafter "CN & R").

As part of this program concerned remuneration of TERNA SA executives, the Company for the measurement of the Program applied the requirements of IFRS 2 "Share based payments ".

Below information is provided regarding the Stock Option Scheme.

During the fiscal year 2020, no options were exercised by this scheme.

For the valuation of the shares related to the Company's share price (VWAP), the fair value of the options was calculated using the Monte Carlo Black – Scholes simulation as the most appropriate method in predicting the probability of different results when random variables intervene. The entry data in this model are the share price at the announcement date, the exercise price, the dividend yield 0%, the discount rate or risk-free rate (-0.447%) and the volatility of the share price (volatility) that amounted to 49.824%. Based on the above, the fair value was determined in the range of 3.57 to 3.95.

For the valuation of shares related to other vesting conditions that do not include market conditions (non-market equity KPIs), fair value was determined using the Black-Scholes valuation model. The entry data in this model, is the price of the share which on the date of announcement amounted to 6.20 euro, the exercise price (2.00 euro), the discount rate or risk-free rate (-0.447%) and the volatility of the share price which amounted to 49.824%. Based on the above, the fair value was determined in the range of 4.20 to 4.34.

The benefits in equity securities recognized in the results of the year ended 31.12.2020, amounted to 479 for the Group and the Company.

31 INCOME TAX– DEFERRED TAXATION

According to Greek tax legislation the tax rate for legal entities in Greece both for fiscal year 2020 and 2019 was 24%.

The effective tax rate differs from the nominal. The calculation of the effective tax rate is affected by several factors, the most important of which are the non-exemption of specific expenses, differences from the use of depreciation rates that emerge between the fixed asset's useful life and the use of rates stipulated by Law 4172/2013, and the ability of companies to generate tax-exempt discounts and tax-exempt reserves.

(a) Income tax expense

Income tax in the statement of comprehensive income is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Current tax	1,333	7,023	949	6,152
Tax adjustments of previous years	303	2	(438)	1
Adjustments for tax audit differences	2,247	1,000	2,483	1,000
Total	**3,883**	**8,025**	**2,994**	**7,153**
Deferred tax expense/(income)	3,058	6,130	2,414	(1,156)
Total expenses/(income)	**6,941**	**14,155**	**5,408**	**5,997**

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Profit before income tax expense	**(15,946)**	**(29,163)**	**(16,892)**	**(22,147)**
Nominal tax rate	**24%**	**24%**	**24%**	**24%**
Income tax expense/(income) based on the nominal tax rate	**(3,827)**	**(6,999)**	**(4,054)**	**(5,315)**
Results not included in the calculation of tax	1,909	1,798	1,817	869
Impact due to change in tax rate	0	3,277	0	2,283
Adjustments of tax of previous years and additional taxes	304	1	(438)	1
Difference in taxation of foreign companies	(2,563)	(316)	(2,160)	(179)
Write-off/(Offsetting) of tax losses	7,287	11,450	2,902	2,779
Adjustments for tax audit differences	2,247	1,000	2,483	1,000
Taxable differences of previous years for which no deferred tax has been recognized	(8)	0	(8)	0
Effect of net temporary tax differences for which no deferred tax has been recognized	1,666	2,002	4,866	4,559
Effect of participating in net results of associates and joint venture	(74)	1,942	0	0
Income tax expense	**6,941**	**14,155**	**5,408**	**5,997**

The tax return statement is submitted annually, but the profits or losses declared remain temporary until the tax authorities inspect the taxpayer's books and records and the final tax audit report is issued. The Group makes an annual assessment of the contingent liabilities that are expected to arise from the tax audit of prior years, making relevant provisions where necessary. Information on non-audited tax years is presented in Notes 5 and 44.1 to the Financial Statements.

(Amounts in thousands Euro, unless otherwise stated)

(b) Deferred tax

Deferred income tax is calculated on all the temporary tax differences between the book value and the tax basis of the assets and liabilities.

A deferred tax asset is recognized for the transferred tax losses to the extent that a respective tax benefit can be realized via future taxable earnings.

The Group offsets the deferred tax assets and liabilities, when there is an effective legal right to offset the current tax assets against current liabilities provided that the deferred taxes relate to the same tax authority. The offset amounts in 31.12.2020 and 31.12.2019 for the Group and the Company are analyzed as follows:

	GROUP		**COMPANY**	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Deferred tax assets	22,218	25,384	14,445	17,114
Deferred tax liabilities	(6,691)	(6,553)	(492)	(518)
Net deferred asset/ (liability)	**15,527**	**18,831**	**13,953**	**16,596**

The change of the net deferred tax asset / (liability) in the Statement of Financial Position is analyzed as follows:

	GROUP		**COMPANY**	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Net deferred tax asset / (liability)	**15,527**	**18,831**	**13,953**	**16,596**
Opening Balance	**18,831**	**25,232**	**16,596**	**15,711**
(Expense)/Income recognized in net earnings	(3,058)	(6,130)	(2,414)	1,156
(Expense)/Income recognized in Other comprehensive income	(246)	(270)	(229)	(271)
(Expense) / Income recognized directly in the equity	0	(1)	0	0
Closing Balance	**15,527**	**18,831**	**13,953**	**16,596**

(Amounts in thousands Euro, unless otherwise stated)

Deferred taxes (assets and liabilities) in 2020 and 2019 are analyzed as follows:

	GROUP				
Deferred tax	**01.01.2020**	**Statement of Profit or loss (Debit)/Credit**	**Other comprehensive income (Debit)/Credit**	**Equity**	**31.12.2020**
Investment property	96	(167)	0	0	(71)
Tangible and Intangible Assets	(2,423)	(4,638)	0	0	(7,061)
Investments	(4,709)	(152)	(26)	0	(4,887)
Contract Assets/Contract Liabilities	22,963	(6,807)	0	0	16,156
Recognized tax losses	1,214	4,063	0	0	5,277
Recognition of assets from concession contracts	579	(53)	0	0	526
Provision for staff indemnities	625	26	(38)	0	613
Companies' acquisitions and sales	(3,230)	288	0	0	(2,942)
Derivatives	344	(162)	(182)	0	0
Trade receivables	4,690	(29)	0	0	4,661
Other Provisions	1,485	(124)	0	0	1,361
Lease Contracts	(4,338)	3,769	0	0	(569)
Other	1,535	928	0		2,463
Total	**18,831**	**(3,058)**	**(246)**	**0**	**15,527**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP				
Deferred tax	**01.01.2019**	**Statement of Profit or loss (Debit)/Credit**	**Other comprehensive income (Debit)/Credit**	**Equity**	**31.12.2019**
Investment property	(349)	445	0	0	96
Tangible and Intangible Assets	(4,975)	2,552	0	0	(2,423)
Investments	(4,413)	169	(465)	0	(4,709)
Contract Assets/Contract Liabilities	18,846	4,117	0	0	22,963
Recognized tax losses	7,055	(5,841)	0	0	1,214
Recognition of assets from concession contracts	664	(85)	0	0	579
Provision for staff indemnities	634	(22)	13	0	625
Companies' acquisitions and sales	(1,081)	(2,149)	0	0	(3,230)
Derivatives	0	162	182	0	344
Trade receivables	5,122	(432)	0	0	4,690
Other Provisions	3,743	(2,258)	0	0	1,485
Lease Contracts	0	(4,338)	0	0	(4,338)
Other	(14)	1,550	0	(1)	1,535
Total	**25,232**	**(6,130)**	**(270)**	**(1)**	**18,831**

(Amounts in thousands Euro, unless otherwise stated)

		COMPANY		
Deferred tax	**01.01.2020**	**Statement of Profit or loss (Debit)/Credit**	**Other comprehensive income (Debit)/Credit**	**31.12.2020**
Investment property	520	(167)	0	353
Tangible and Intangible Assets	(1,366)	(3,631)	0	(4,997)
Investments	(4,709)	(152)	(26)	(4,887)
Contract Assets/Contract Liabilities	19,064	(5,775)	0	13,289
Recognized tax losses	551	3,775	0	4,326
Recognition of assets from concession contracts	549	(49)	0	500
Provision for staff indemnities	589	23	(21)	591
Companies' acquisitions and sales	(961)	64	0	(897)
Derivatives	344	(162)	(182)	0
Trade receivables	4,603	(33)	0	4,570
Other Provisions	1,485	(124)	0	1,361
Lease Contracts	(4,083)	3,752	0	(331)
Other	10	65	0	75
Total	**16,596**	**(2,414)**	**(229)**	**13,953**

(Amounts in thousands Euro, unless otherwise stated)

	COMPANY			
Deferred tax	**01.01.2019**	**Statement of Profit or loss (Debit)/Credit**	**Other comprehensive income (Debit)/Credit**	**31.12.2019**
Investment property	103	417	0	520
Tangible and Intangible Assets	(4,969)	3,603	0	(1,366)
Investments	(4,413)	169	(465)	(4,709)
Contract Assets/Contract Liabilities	13,088	5,976	0	19,064
Recognized tax losses	2,825	(2,274)	0	551
Recognition of assets from concession contracts	628	(79)	0	549
Provision for staff indemnities	600	(23)	12	589
Companies’ acquisitions and sales	(1,082)	121	0	(961)
Derivatives	0	162	182	344
Trade receivables	5,026	(423)	0	4,603
Other Provisions	3,743	(2,258)	0	1,485
Lease Contracts	0	(4,083)	0	(4,083)
Other	162	(152)	0	10
Total	**15,711**	**1,156**	**(271)**	**16,596**

(Amounts in thousands Euro, unless otherwise stated)

32 TURNOVER

The turnover as at 31 December 2020 and 2019 in the accompanying financial statements is analyzed as follows:

Revenues from contracts with customer per segment

	GROUP	
1) Revenues from contracts with customer per segment	**1.1-31.12.2020**	**1.1-31.12.2019**
Revenues from construction services' segment		
Infrastructure Projects– Motorways - Airport	277,786	306,748
Industrial –Energy	213,906	374,051
Other services of construction services' segment	4,587	4,297
	496,279	**685,096**
Revenues from industry segment		
Sales of industrial products - quarries	6,978	9,578
	6,978	**9,578**
Revenues from thermo-electric energy power production and trading of electric energy		
Trading of electric energy	1,468	**0**
	1,468	**0**
Total revenues from contracts with customers	**504,725**	**694,674**

	GROUP	
2) The analysis of turnover from contracts with customers at the time of income recognition is analyzed as follows:	**1.1-31.12.2020**	**1.1-31.12.2019**
Transfer of goods and services at a specific time	12,006	13,875
Services rendered with the passage of time	492,719	680,799
Total turnover from contracts with customers	**504,725**	**694,674**

3) The backlog of the projects from construction contracts of the Group amounts to Euro 1,510 million on 31.12.2020 (see Note 44.2). The time analysis of the expected implementation of the backlog of contracts with customers is analyzed as: (a) Euro 520 million in 2021 and b) Euro 990 million until 2025**.**

4) Turnover for the period per country and operating segment is analyzed below as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP					
	1.1-31.12.2020					
	Greece	**Balkans**	**Middle East**	**Eastern Europe**	**Other regions**	**Total**
Revenue of Construction Segment	435,698	32,168	28,413	0	0	496,279
Revenue of Industry Segment	549	94	232	698	5,405	6,978
Revenue of Electricity from thermal energy and HP trading	1,468	0	0	0	0	1,468
Total	**437,715**	**32,262**	**28,645**	**698**	**5,405**	**504,725**

	GROUP					
	1.1-31.12.2019					
	Greece	**Balkans**	**Middle East**	**Eastern Europe**	**Other regions**	**Total**
Revenue of Construction Segment	598,164	35,950	50,982	0	0	685,096
Revenue of Industry Segment	1,237	240	28	20	8,053	9,578
Total	**599,401**	**36,190**	**51,010**	**20**	**8,053**	**694,674**

*The Other regions refer to sales to customers which are located outside Greece, Balkans, Middle East, Eastern Europe and USA.

(Amounts in thousands Euro, unless otherwise stated)

33 COST OF SALES – ADMINISTRATIVE AND DISTRIUTION EXPENSES– RESEARCH AND DEVELOPMENT EXPENSES

The cost of sales as at 31 December 2020 and 2019 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Inventory cost-construction materials	157,901	298,688	145,755	277,006
Employee remuneration	49,617	48,942	39,736	38,448
Sub-contractors	150,491	197,529	129,134	154,043
Fees of civil engineers, technical consultants and other third parties	55,593	64,140	52,221	58,749
Other third-party expenses	5,162	4,860	4,277	3,687
Taxes-duties	1,368	1,425	1,331	1,345
Provisions	(1,264)	(7,857)	(1,236)	(7,821)
Transportation expenses	1,120	1,835	961	1,602
Lab audit expenses	300	476	300	476
Impairments/Recovery of impairments	0	14	0	14
Depreciation	10,466	10,626	7,674	7,576
Litigation and other indemnities	20	86	20	86
Expenses concerning litigation cases	510	143	510	143
Operating leases	14,041	13,710	12,347	11,957
Insurance premiums	3,164	2,683	2,556	2,195
Transportation expenses	5,204	5,847	4,743	5,402
Repairs-Maintenance expenses	4,031	5,654	3,789	5,309
Commissions and other financial expenses	11,135	11,466	10,106	10,740
Other	2,017	2,443	1,774	2,154
Total	**470,876**	**662,710**	**415,998**	**573,111**

Administrative and distribution expenses as at 31 December 2020 and 2019 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Employee remuneration	10,642	13,046	7,234	8,148
Fees of civil engineers, technical consultants and other third parties	11,015	10,661	9,124	8,913
Stock options expense	479	0	479	0
Other third-party expenses	1,024	1,292	569	763
Travel expenses	92	375	35	175
Subscriptions and contributions	228	262	214	250
Promotion and advertising expenses	499	767	494	746
Depreciation	2,501	2,641	1,758	1,840
Repairs - Maintenance	475	754	422	669
Insurance Premiums	352	545	147	165

(Amounts in thousands Euro, unless otherwise stated)

Auditors' fees	0	0	0	0
Operating leases	616	900	426	327
Taxes - Duties	685	610	341	366
Transport expenses	1,130	1,593	155	589
Expenses concerning litigation cases	257	1,385	246	247
Other	3,777	1,766	3,251	711
Total	**33,772**	**36,597**	**24,895**	**23,909**

Research and Development expenses as at 31 December 2020 and 2019 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Employee remuneration	20	158	20	0
Fees of civil engineers, technical consultants and other third parties	795	1,014	745	964
Other third party expenses	3	0	0	0
Depreciation	73	27	0	0
Taxes - Duties	3	4	0	1
Transportation expenses	14	27	1	2
Travel expenses	21	93	19	75
Insurance Premiums	1	3	0	0
Other	247	28	232	9
Total	**1,177**	**1,354**	**1,017**	**1,051**

34 AUDITORS' FEES

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Total	388	321	276	235

The above fees relate to the fees of Certified Public Accountants for the total of the Group companies.

35 OTHER INCOME /(EXPENSE)

Other income/ (expenses) for the period, in the accompanying financial statements as of 31 December 2020 and 2019 are analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2020	1.1-31.12.2019	1.1-31.12.2020	1.1-31.12.2019
Other income				
Amortization of grants on fixed assets	153	81	0	0
Income from insurance indemnities	788	493	454	97
Income from legal indemnities	0	72	0	72
Foreign exchange differences on payments	0	1,911	0	1,661
Recovery of impairments of fixed, intangible assets and right of use assets	548	0	29	0
Recovery of impairments of assets	681	1,961	790	1,890
Gains from sale of fixed assets	730	462	399	488
Gains from valuation of Investment Property	2	0	2	0
Earnings from elimination of liabilities	2,185	604	6,142	230
Other services rendered	2,091	3,175	74	263
Other revenue	2,621	1,847	1,367	1,325
Total	**9,799**	**10,606**	**9,257**	**6,026**
Other Expenses				
Depreciation not included in the cost	(951)	(306)	(300)	(239)
Expenses related to insurance indemnities	(77)	(82)	(74)	(86)
Foreign exchange differences on payments	(5,462)	0	(3,206)	0
Impairments/Write off of fixed, intangible assets and right of use assets	(922)	(12)	(33)	(12)
Impairments/Write off of inventories	(4,509)	(4,275)	(181)	(600)
Impairments/Write off of receivables	(1,101)	(4,949)	(1,061)	(5,086)
Other impairments and provisions	(560)	(158)	(560)	0
Losses from sale of fixed assets	(126)	(884)	(129)	(101)
Loss from valuation of Investment Property	(99)	(230)	(100)	(230)
Taxes – duties	(54)	(383)	(56)	(184)
Employee remuneration	(2,384)	(2,655)	(215)	(580)
Other expenses	(2,338)	(3,561)	(786)	(1,627)
Total	**(18,583)**	**(17,495)**	**(6,701)**	**(8,745)**
Total other income /(expenses)	**(8,784)**	**(6,889)**	**2,556**	**(2,719)**

(Amounts in thousands Euro, unless otherwise stated)

36 GAINS/(LOSSES) FROM VALUATION OF PARTICIPATIONS AND SECURITIES

Gains / (losses) from the valuation of participations and securities, on 31 December 2020 and 2019, in the accompanying financial statements are analysed as follows:

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Loss /reverse of loss from valuation on interest in subsidiaries (Note 12)	0	0	(18,645)	(7,538)
Loss/reverse of loss from valuation on interest in joint ventures (Note 13)	0	0	0	(10,583)
Total	**0**	**0**	**(18,645)**	**(18,121)**

37 FINANCIAL INCOME /(EXPENSE)

Financial income/ (expenses) as at December 31st 2020 and 2019, are analyzed in the accompanying financial statements as follows:

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Deposit interest	133	258	114	237
Loan interest	4,028	5,749	5,295	7,241
Other financial income	1,050	202	1,051	202
Total financial income (a)	**5,211**	**6,209**	**6,460**	**7,680**
Interest and expenses of short-term loans	(4,311)	(3,541)	(3,968)	(2,053)
Interest and expenses of long-term loans	(6,244)	(7,124)	(5,757)	(6,608)
Financial cost from lease contracts	(497)	(943)	(430)	(833)
Bank commissions and expenses	(963)	(823)	(415)	(383)
Contracts of interest/financial instruments swaps	(374)	(182)	(374)	(182)
Other financial expenses	(25)	(53)	(25)	(52)
Total financial expenses (b)	**(12,414)**	**(12,666)**	**(10,969)**	**(10,111)**
Net interest income/(expenses) (a+b)	**(7,203)**	**(6,457)**	**(4,509)**	**(2,431)**
Gains from financial instruments measured at fair value (Note 28)	674	0	674	0
Losses from financial instruments measured at fair value (Note 28)	0	(674)	0	(674)
Derivatives valuation results (c)	**674**	**(674)**	**674**	**(674)**
Net financial income/(expenses) (a+b+c)	**(6,529)**	**(7,131)**	**(3,835)**	**(3,105)**

(Amounts in thousands Euro, unless otherwise stated)

38 PAYROLL COST

Expenses for employee remuneration in 2020 and 2019 are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Wages and related employee benefits	49,938	53,824	36,779	37,077
Social security fund contributions	10,283	9,861	9,446	9,139
Provision for employee indemnities	2,442	1,116	980	960
Total	**62,663**	**64,801**	**47,205**	**47,176**

At the end of the closing period, the Group employed 2,004 people worldwide and the Company 1,644. Respectively, at the end of the previous year, the Company employed 1,558 and the Group 2,471 people worldwide.

39 TRANSACTIONS WITH RELATED PARTIES

The Company's and the Group's transactions with related parties for the period ending on 31.12.2020 and 31.12.2019, as well as the balances of receivables and liabilities which have derived from such transactions on 31.12.2020 and 31.12.2019 are as follows:

Sales-Purchases of goods and services

Year 31.12.2020	**GROUP**				**COMPANY**			
Related party	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**
Parent Company	1,682	770	2,068	1,875	1,682	648	2,068	1,722
Subsidiaries	0	0	0	0	89,287	3,328	64,836	23,910
Joint Ventures	15,140	426	495	115,203	15,140	426	495	115,203
Other Related Parties	110,100	3,574	18,957	42,157	18,127	1,299	8,442	1,760

Year 31.12.2019	**GROUP**				**COMPANY**			
Related party	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**
Parent Company	29	522	471	1,457	29	522	471	1,455
Subsidiaries	0	0	0	0	114,814	5,422	43,160	32,314
Joint Ventures	0	0	15	137	0	0	15	137
Other Related	133,671	4,115	20,830	62,039	14,523	1,157	9,267	1,560

(Amounts in thousands Euro, unless otherwise stated)

Loans and interest

Year 31.12.2020	**GROUP**				**COMPANY**			
Related party	**Finance Revenue**	**Finance expense**	**Loans receivable**	**Loans payable**	**Finance Revenu**	**Finance expense**	**Loans receivable**	**Loans payable**
Parent Company	2,312	1,043	0	93,621	2,312	1,039	0	93,500
Subsidiaries	0	0	0	0	1,267	0	41,254	0
Joint Ventures	1,699	0	17,422	0	1,699	0	17,422	0
Other Related	17.19393	31.57355	295	1,008	17	6	295	9

Year 31.12.2019	**GROUP**				**COMPANY**			
Related party	**Finance Revenue**	**Finance expense**	**Loans receivable**	**Loans payable**	**Finance Revenue**	**Finance expense**	**Loans receivable**	**Loans payable**
Parent Company	4,200	806	84,630	11,816	4,200	799	84,630	11,699
Subsidiaries	0	0	0	0	1,491	0	29,667	0
Joint Ventures	1,529	0	15,723	0	1,529	0	15,723	0
Other Related	20	106	399	959	20	4	399	135

Transactions with related parties are made on the same terms as transactions with third parties.

During the year the Company paid amounts of 24,655 (31.12.2019: 21.248) and 41,520 (31.12.2019: 3,000) for the increase of the share capital of subsidiaries and joint ventures respectively. It also granted loans amounting to 10,320 (31.12.2019: 13.880) to a subsidiary, received from repayments of loans granted 87,060 (31.12.2019: 81,814) from the parent company GEK TERNA SA, subsidiaries and other related parties. Respectively, it received loans amounting to 96,150 (31.12.2019: 30,100) from the parent company GEK TERNA SA and other related parties and repaid 14,125 (31.12.2019: 32,184) loans to the parent company. The amounts are not included in the above tables.

Transactions and remuneration of the Board of Directors members and senior executives: The remuneration of the Board of Directors members and senior executives of the Group and Company, recognized for the periods ended on 31.12.2020 and 31.12.2019, as well as the balances of receivables and liabilities that have emerged from such transactions on 31.12.2020 and 31.12.2019 are as follows:

	GROUP		**COMPANY**	
	1.1-31.12.2020	**1.1-31.12.2019**	**1.1-31.12.2020**	**1.1-31.12.2019**
Remuneration for services rendered	3,726	2,175	3,423	1,722
Remuneration of employees	520	625	520	532
Stock options expense	479	0	479	0
Total	**4,725**	**2,800**	**4,422**	**2,254**
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Liabilities	111	28	110	53
Receivables	15	2	9	0

40 AIMS AND RISK MANAGEMENT POLICIES

The Group is exposed to multiple financial risks such as market risk (fluctuations in exchange rates, interest rates, market prices, etc.), credit risk and liquidity risk. The Group's risk management program aims to reduce the negative impact on financial results resulting from the inability to predict financial markets and fluctuations in cost and sales variables. The risk management policy is implemented by the Group's financial services.

The procedure applied is the following:

- risk assessment related to the activities and operations of the group,
- design of the methodology and selection of the appropriate financial products for risk reduction and
- execution / implementation, in accordance with the procedure approved by the Management, of the risk management process

The group's financial instruments consist mainly of bank deposits, short-term financial products of high liquidity traded on the money market, commercial debtors and creditors, loans to affiliates, equity investments, dividends payable, and lease liabilities.

40.1 FOREIGN EXCHANGE RISK

The functional currency of the parent company and the reporting currency of the Group is Euro.

Foreign exchange risk is the risk that results from the fact that the fair value of future cash flows of a financial instrument will be subject to fluctuations due to changes in exchange rates. This type of risk may arise, for the Group, from foreign exchange differences at the valuation and conversion into the Group’s currency (Euro) of financial assets, mainly financial receivables, and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Group’s entities.

The Group operates through branches and companies in Greece, the Middle East and in Balkans and thus it may be exposed to foreign exchange risk.

Regarding the construction projects in the Balkans: the contractual receivables, liabilities with basic suppliers (cement, iron products, asphalt, cobble, skids etc.) and sub-contractors are realized in euro and thus the exposure to foreign exchange risk is limited. Moreover, the Bulgarian lev (BGN) has a fixed exchange rate against the euro.

Regarding the construction projects in the Middle East, the contractual receivables, liabilities to basic suppliers (concrete, iron products, asphalt, cobble, skids etc.) and sub-contractors are realized in local currencies, which are pegged to the US dollar (USD) and thus there is exposure to foreign exchange from change in the USD exchange rate against Euro.

The following table presents the financial assets and liabilities in foreign currency:

(Amounts in thousands Euro, unless otherwise stated)

	2020										
(amounts in euro)	**AED**	**ALL**	**BHD**	**IQD**	**LYD**	**MKD**	**QAR**	**RON**	**RSD**	**SAR**	**USD**
Financial assets	3,397	77	36,919	1	2,381	2,305	19,698	1	10,713	1,428	14,990
Financial liabilities	(3,078)	(5,263)	(14,819)	(79)	(7)	(2,318)	(15,394)	(209)	(4,407)	(701)	(13,357)
Total current assets	**319**	**(5,186)**	**22,100**	**(78)**	**2,374**	**(13)**	**4,304**	**(208)**	**6,306**	**727**	**1,633**
Financial assets	116	0	727	68	0	0	10	3	0	0	0
Financial liabilities	(533)	0	(180)	0	0	0	(388)	0	0	(23)	(1,071)
Total non-current assets	**(417)**	**0**	**547**	**68**	**0**	**0**	**(378)**	**3**	**0**	**(23)**	**(1,071)**

	2019										
(amounts in euro)	**AED**	**ALL**	**BHD**	**IQD**	**LYD**	**MKD**	**QAR**	**RON**	**RSD**	**SAR**	**USD**
Financial assets	8,824	252	47,304	1,183	2,528	2,309	22,261	7	6,448	1,819	9,928
Financial liabilities	(4,754)	(5,108)	(21,478)	(1,346)	(13)	(2,298)	(14,674)	(326)	(1,910)	(845)	(10,137)
Total current assets	**4,070**	**(4,856)**	**25,826**	**(163)**	**2,515**	**11**	**7,587**	**(319)**	**4,538**	**974**	**(209)**
Financial assets	192	0	433	92	0	0	14	3	0	0	0
Financial liabilities	(5,071)	0	(443)	(117)	0	0	(325)	0	(6)	(48)	(1,053)
Total non-current assets	**(4,879)**	**0**	**(10)**	**(25)**	**0**	**0**	**(311)**	**3**	**(6)**	**(48)**	**(1,053)**

The following table presents the sensitivity of Net Earnings as well as other comprehensive income of the year to fluctuations of exchange rates through their effect on financial assets and liabilities. For BGN currency we did not examine the sensitivity as it maintains a stable exchange rate against euro. For all other currencies, we examined the sensitivity at a change of +/- 10%.

The table presents the effects of the +10% change. The effects of the -10% change are represented by the opposite presented sign.

	2020										
	AED	**MKD**	**RON**	**QAR**	**BHD**	**USD**	**LYD**	**ALL**	**RSD**	**IQD**	**SAR**
Effect on Net earnings	(9)	0	0	(0)	0	88	0	0	0	0	(0)
Effect on other comprehensive income	38	(0)	(20)	485	2,205	0	237	(754)	(707)	(167)	122

(Amounts in thousands Euro, unless otherwise stated)

	2019										
	AED	MKD	RON	QAR	BHD	USD	LYD	ALL	RSD	IQD	SAR
Effect on Net earnings	(3)	0	0	0	0	97	0	0	0	0	0
Effect on other comprehensive income	(435)	10	(7)	812	2,918	0	251	(827)	(1,468)	(358)	143

To manage this category of risk, the Group's Management and financial department makes sure that the largest possible part of receivables (revenues) and liabilities (expenses) are realized in euro or in currencies pegged to the euro (i.e. the Bulgarian lev, BGN) or in the same currency in order to be matched against each other.

40.2 INTEREST RATE RISK SENSITIVITY ANALYSIS

The policy of the Group is to minimize its exposure to the interest rate risk of long-term financing. On 31.12.2020, 100% of the Group's total debt bares floating interest rate (stable spread).

The following table presents the sensitivity of Net earnings for the period towards a reasonable change in interest rates of receivables and liabilities amounting to +/-20% (2019: +/-20%) on the variable part of the interest rate (i.e. Euribor 6M). The changes in interest rates are estimated to be normal in relation to current market conditions.

	2020		2019	
	20%	-20%	20%	-20%
Net earnings after income tax (from interest bearing liabilities)	(0.4)	0.4	(14.5)	14.5
Net earnings after income tax (from interest earning assets)	0.5	(0.5)	36.4	(36.4)

The Group is not exposed to other interest rate risks or variation of securities' prices the price of which is traded on a financial market.

40.3 CREDIT RISK

The credit risk exposure of the Group is limited to financial assets, which are as follows:

	31.12.2020	31.12.2019
Cash and cash equivalents	267,726	199,944
Loans and receivables	309,259	440,927
Total	**576,985**	**640,871**

(Amounts in thousands Euro, unless otherwise stated)

The Group continuously monitors its receivables, either separately or per group and encompasses any differences in its credit risk. In cases that is deemed necessary external reports related to current or potential customers are used.

The Group is not exposed to significant credit risk from customers' receivables. This is attributed to the fact that one the hand to the Group's policy which is focused on the cooperation with reliable clients and on the other to the activities' nature of the Group.

In particular, the whole amount of receivables, whether related to the narrow or the broader public segment, or clients with significant financial position in Greece and abroad, are under special monitoring and the Management constantly assesses the reliability of its customers, the size of each of them, regardless of whether they are a broader public or private entity, for possible implications, in order to take the necessary measures to minimize any implications for the Group.

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

The credit risk for the cash and the other receivables is considered limited given that the counterparties are reliable banks with high quality capital structure, the Greek State and the broader public sector and powerful Groups.

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

40.4 LIQUIDITY RISK

The Group manages its liquidity needs by closely monitoring its long-term financial liabilities and the daily payments. The liquidity needs are monitored in different time-zones, daily and weekly as well as in a rolling 30-day period. The liquidity needs for the coming 6 months and the coming year are estimated on a monthly basis.

The Group maintains cash and deposits in banks in order to cover its liquidity needs for periods up to 30 days. The capital for long-term liquidity needs is disbursed from time-deposits of the Group. The maturity of financial liabilities on the 31st of December 2020 is analyzed as follows:

	0 to 12 months	1 to 5 years	Over 5 years	Total
Long-term borrowing	7,893	38,720	65,149	111,762
Liabilities from leases	2,834	3,457	400	6,691
Short-term borrowing	89,054	0	0	89,054
Suppliers	171,189	0	0	171,189
Accrued and other short-term financial liabilities	24,349	0	0	24,349
Total	**295,319**	**42,177**	**65,549**	**403,045**

(Amounts in thousands Euro, unless otherwise stated)

The respective maturity of financial liabilities for 31st December 2019 was as follows:

	0 to 12 months	1 to 5 years	Over 5 years	Total
Long-term borrowing	16,657	67,153	85,234	169,044
Liabilities from leases	9,548	4,518	625	14,691
Liabilities from derivatives	380	1,053	0	1,433
Short-term borrowing	94,179	0	0	94,179
Suppliers	198,521	0	0	198,521
Accrued and other short-term financial liabilities	28,162	0	0	28,162
Total	**347,447**	**72,724**	**85,859**	**506,030**

The above contractual maturities reflect the gross cash flows, which may differ from the book values of liabilities at the balance sheet date.

40.5 GLOBAL PUBLIC HEALTH CRISIS FROM THE CORONAVIRUS PANDEMIC (COVID-19)

TERNA Group is one of the most significant Greek business groups, holding a leading position in infrastructure segment. The Management considers that the Group operates in the segments that are more defensive during the phases of the economic cycle. Furthermore, during the financial crisis in Greece (i.e. the most difficult and longest financial crisis in Europe), the Group has already demonstrated its ability to grow and strengthen its market position.

At the end of December 2019, the new coronavirus strain SARS-CoV-2, which causes coronavirus disease (COVID-19), appeared in China. In the following months, coronavirus (COVID-19) spread rapidly worldwide and on March 11, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a pandemic. The COVID-19 pandemic has led to an unprecedented crisis in global health and the economy. In Greece, the virus was first detected in late February 2020, leading to a national quarantine. In early May, a gradual easing of quarantine restrictions began, which lasted until June. During the summer, however, the increase in COVID-19 cases in Greece led to the early end of the tourist season and the resumption of restrictive measures. Measures of limited reopening of the stores were implemented during the festive period of Christmas. Throughout the pandemic, the Group constantly acts based on the instructions and decisions of all relevant bodies, complying with the requirements and the action plan adopted by the Greek authorities.

In the context of public health protection, many countries have adopted extraordinary, temporary and costly restraining measures (some countries have required companies to reduce or even suspend their normal business activities). The Greek Government, in an effort to keep cases and deaths low to the point where a large percentage of the population could be vaccinated, has taken stricter measures than in other European countries, taking repeated restrictive measures in the fields of tourism, trade, catering and entertainment. To support workers and businesses, it has taken fiscal measures through combined measures to safeguard employment and suspend payments, to measures that have reduced the negative impact on the economy.

According to the Bank of Greece, all these measures resulted in a recession in the Greek economy of 8.2% for 2020, while at the level of the Eurozone, the economy contracted by 6.6%.

The global impact of the pandemic has resulted in the European Union being forced to approve Euro 1.824 billion in funding to help its members deal with the effects of the COVID-19 pandemic on the European economy. Greece is expected to raise Euro 72 billion, Euro 31 billion from all of this funding through the Recovery and Sustainability Fund (Euro 18 billion in grants, Euro 13 billion in loans and Euro 40 billion through the NSRF Cohesion Fund for the period 2021-2027.

The health crisis from the coronavirus pandemic (COVID-19) has led the world economy to a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far, as the situation is evolving. The economic impact will depend on the duration and intensity of the recession, as well as the prospects for recovery. To address the health and, consequently, economic aspects of the pandemic, governments around the world have already launched ongoing mass vaccination programs to reach the entire population and build the required immune wall, which will lead to a regularity. Based on the fact that the pandemic has not yet been fully controlled, in combination with the presence of virus mutations that alter the transmissibility of the virus and the effectiveness of vaccines, this risk remains among the main risks of the Group.

The Management of the Group with an extremely high sense of responsibility, towards its customers, employees, suppliers, partners and investors, monitors the developments regarding the coronavirus pandemic (COVID-19), studying the possible risk factors that could affect the financial position, activities and results of the Group.

(i) Group Organizational Planning

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

Extremely strict rules of operation have been adopted at all points of presence and operation of the Group in Greece and abroad, in order to constantly ensure the highest possible level of safety for everyone.

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

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

The Group has taken all the necessary measures in order to facilitate the development of its basic activities, continuing uninterruptedly its construction activities, strengthening its efforts aimed at stabilization of the Greek economy and employment. In detail per segment:

- **Constructions operating segment**

In the Constructions operating segment there were delays, despite the fact that none of the existing signed contracts were canceled. In particular, for some projects there was a short-term suspension of work due to measures to avoid cases due to COVID-19. With the passage of the time limit that concerned the outbreak of the pandemic, the construction works resumed, without though achieving the planned execution rate.

Regarding the existing delays that occurred, the Group does not face the risk of non-compliance with the contractual schedules, as the relevant deadlines are extended accordingly. It should be noted that the construction contracts also include relevant terms regarding force majeure events, providing an additional contractual level of security regarding the progress of the projects and their performance / compensation.

The credit risk in the context of the coronavirus pandemic is limited to the possibility that customers will not meet the agreed repayment terms. Within 2020, there were no significant delays in repaying the invoiced works. However, if there is even a possible moderate delay in receipts in 2021, the Management estimates that it could not create a cash problem in the sector.
This assessment of the management is based: (a) on the fact that the owner of most of the construction projects undertaken by the Group is the Greek State and bodies of the Greek State, as well as public bodies abroad having in most cases uninterruptedly secured resources, e.g. European resources or resources secured by concession companies which have outsourced construction projects to the Group's subsidiaries, (b) to reliable customers with high financial potential and (c) to the existence of financial measures in place to support the economies of European countries by European Central Bank (ECB) to mitigate the economic impact of the coronavirus.
It should be noted that, despite the extraordinary circumstances due to the global public health crisis, the Greek State has not currently announced the suspension of any award process, as an initiative to support the Greek economy in practice.
The need to boost the economic recovery as a result of the COVID-19 crisis, according to the competent Minister of Infrastructure and Transport, requires the initiation of major projects, which is one of the immediate priorities of the Greek Government. Towards this end, the intention of the Greek Government is to change the institutional framework of the tender procedures, in order to speed up the licensing to include in the law of strategic investments the large infrastructure projects, which exceed Euro 13 billion, of which a significant part is estimated to be executed by the Group.
A significant delay in the implementation of the tender procedures due to a change in priorities by the Greek State, would create significant problems in the industry, and consequently in the construction sector of the Group.
TERNA SA is in an advantageous position due to (a) its dominant position in the construction industry, combined with the experienced and proven effective management team, and (b) the strong financial position of the company, in order to support the timely completion of all projects that has and / or will take over.

(Amounts in thousands Euro, unless otherwise stated)

- **Quarry / Industry Operating Sector**

The activity of the sector in the extraction and processing of magnesite and then in the production of magnesite products, which are almost entirely exported to various countries, has decreased significantly due to the COVID-19 pandemic, as a result of the problems created in the transfer of goods in customers.

As a result, the subsidiary TERNA LEFKOLITHI drastically reduced the production of products in anticipation of the normalization of the market, while at the same time proceeded to redesign the production process for the optimal use of the existing stocks of magnesite for mining and the existing equipment.

Summary

The coronavirus pandemic (COVID-19) has led the world economy into a period of uncertainty and instability, the consequences of which are difficult to assess based on the data so far, as the situation is evolving. The economic impact will depend on the duration and intensity of the recession as well as the prospects for recovery. Management estimates that the Group's operations, financial performance, cash flows and financial position will not be significantly affected. In any case, the Management ensures the maintenance of the smooth operation both in the Greek territory and in the other countries where the Group operates, applying procedures of continuous identification and evaluation of all risks that may arise in the near future. In direct, continuous and systematic cooperation with the Risk Managers and the executives of the Group, the Management plans and implements measures to deal with any identified risk in order to limit its negative effects to the minimum possible. The organizational efficiency of the Group and the continuous care of the Management to use its managers by project and special subject, depending on the required ability and experience have created a proven capable, flexible and effective mechanism for dealing with any possible crisis in any company of the Group and if it appears. Due to this basic principle is attributed the immediate reaction of the Management and the above mechanism for dealing with the epidemic crisis with prudence, calm and strategic perspective.

41 FINANCIAL ASSETS AND FINANCIAL LIABILITIES: PRESENTATION

The financial assets as well as the financial liabilities of the Group per categories have as follows:

	31.12.2020		
Financial Assets	**Amortized cost**	**Fair value through other comprehensive income**	**Total**
Investments in securities	0	12,230	**12,230**
Other long-term receivables	39,505	0	**39,505**
Trade and other receivables	269,754	0	**269,754**
Cash and cash equivalents	267,726	0	**267,726**
Total	**576,985**	**12,230**	**589,215**

(Amounts in thousands Euro, unless otherwise stated)

	31.12.2019		
Financial Assets	**Amortized cost**	**Fair value through other comprehensive income**	**Total**
Investments in securities	0	12,176	**12,176**
Other long-term receivables	115,068	0	**115,068**
Trade and other receivables	325,859	0	**325,859**
Cash and cash equivalents	199,944	0	**199,944**
Total	**640,871**	**12,176**	**653,047**

	31.12.2020		
Financial Liabilities	**Amortized cost**	**Fair value through other comprehensive income**	**Total**
Long-term borrowing	111,762	0	**111,762**
Other long-term liabilities	122	0	**122**
Trade and other receivables	195,538	0	**195,538**
Short-term borrowing	89,054	0	**89,054**
Liabilities from leases	6,691	0	**6,691**
Total	**403,167**	**0**	**403,167**

	31.12.2019		
Financial Liabilities	**Amortized cost**	**Fair value through other comprehensive income**	**Total**
Long-term borrowing	169,044	0	**169,044**
Other long-term liabilities	1,525	0	**1,525**
Trade and other receivables	226,683	0	**226,683**
Short-term borrowing	94,179	0	**94,179**
Liabilities from leases	14,691	0	**14,691**
Liabilities from derivatives	0	1,433	**1,433**
Total	**506,122**	**1,433**	**507,555**

(Amounts in thousands Euro, unless otherwise stated)

42 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position of the Group are classified under the following 3 level hierarchy in order to determine and disclose the fair value of financial instruments per valuation technique:

- **Level 1:** fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.
- **Level 2:** fair value using valuation models for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.
- **Level 3:** fair value based on valuation models in which the data that significantly affects the fair value, is not based on observable market data.

The Group and the Company financial assets and liabilities measured at fair value on 31.12.2020 and 31.12.2019 are classified in the aforementioned levels of hierarchy as follows:

	31.12.2020			
Financial Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments in securities	0	0	12,230	12,230
Total	**0**	**0**	**12,230**	**12,230**
Financial Liabilities				
Liabilities from derivatives	0	0	0	0
Net fair value	**0**	**0**	**12,230**	**12,230**

	31.12.2019			
Financial Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments in securities	0	0	12,176	12,176
Total	**0**	**0**	**12,176**	**12,176**
Financial Liabilities				
Liabilities from derivatives	0	1,433	0	1,433
Total	**0**	**1,433**	**0**	**1,433**
Net fair value	**0**	**(1,433)**	**12,176**	**10,743**

There were no changes in valuation technique applied by the Group within the period. There were no amount transfers between Levels 1 and 2 during the period ended as at 31.12.2020 and within financial year 2019.

Fair value measurement of Level 3 financial instruments

The changes in the Group's financial instruments classified in Level 3 during the period ended as at 31.12.2020 and within financial year 2019 are as follows:

(Amounts in thousands Euro, unless otherwise stated)

	1.1-31.12.2020	1.1-31.12.2019
	Investments in securities	**Investments in securities**
Opening balance	**12,176**	**11,125**
Reductions	(53)	(919)
Profit /(loss) in Other Comprehensive Income	107	1,970
Closing balance	**12,230**	**12,176**

Assets of level 3 are related to investments in companies with participation less than 20% (Note 19). These investments are analyzed as follows:

	Fair value of investment 31.12.2020	Fair value of investment 31.12.2019	Fair value calculation method	Other Information
GEK TERNA	5,423	5,210	Stock Exchange Price	Stock Exchange Price on 31.12.2020/31.12.2019
BIOMEK SA	0	53	Equity method at fair values	Fair value of equity on 31.12.2020/31.12.2019
ILIOCHORA SA	2,749	2,855	Equity method at fair values	Fair value of equity on 31.12.2020/31.12.2019
EKEPI	15	15	Equity method at fair values	Fair value of equity on 31.12.2020/31.12.2019
ICON EOOD	4,043	4,043	Discounted dividend yield method	Fair value of equity on 31.12.2020/31.12.2019
Total	**12,230**	**12,176**		

Financial assets and liabilities of Level 2 relate to risk hedging derivatives. These investments are analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	Fair value of investment 31.12.2020	Fair value of investment 31.12.2019	Fair value calculation method	Other Information
Receivables / (Obligations) from Interest Rate Swap Derivatives (IRS)	0	(1,433)	Valuation by financial institutions combined with an internal valuation using interest rate curves	
Total	**0**	**(1,433)**		

The book values of the following financial assets and liabilities approximate their fair value because of their short-term nature:

- Trade and other receivables
- Cash available
- Suppliers and other liabilities

43 POLICIES AND PROCEDURES FOR CAPITAL MANAGEMENT

The aims of TERNA Group regarding the management of its capital are as follows:

- To ensure the ability of the Group to continue its activity (going-concern) and
- To secure a satisfactory capital structure and return for its shareholders.

The Group defines the level of capital in proportion to the risk of its activities, it monitors the developments of the economic environment and their effect on the risk characteristics, and it manages the capital structure (relation of debt to equity) with the adjustment of the amount and maturity of debt, the issue of new shares or the return of capital to shareholders, with the adjustment of the dividend and the sale of individual or a group of assets.

For this purpose, the Group monitors the capital on the basis of financial leverage ratio which is defined as: Adjusted Net Debt/Adjusted Equity. As “Adjusted Net Debt” is defined as the sum of Loan liabilities, Bank lease liabilities minus cash and cash equivalents as they are presented in Statement of Financial Position. As “Adjusted Equity” is defined as Equity plus Grants.

The ratio at the end of 2020 and 2019 was as follows:

	2020	2019
Interest bearing debt	201,342	270,071
Minus:		
Cash and Cash equivalents	(267,726)	(199,944)
Adjusted Net Debt	**(66,384)**	**70,127**
Equity	108,388	108,758
Grants	14,052	14,185

(Amounts in thousands Euro, unless otherwise stated)

Adjusted Equity	**122,440**	**122,943**
Leverage ratio	**(54.22)%**	**57.04%**

44 CONTINGENT LIABILITIES AND ASSETS

44.1 Tax unaudited years

The tax obligations of the Group are not definitive as there are unaudited tax years, which are analyzed in Note 5 of the Financial Statements for the period ended as at 31.12.2020.

For the unaudited tax years it is possible that additional taxes and surcharges can be imposed at the time when they are examined and finalized. The Group makes an annual estimate of the contingent liabilities that are expected to arise from the tax audit of past years, making relevant provisions were deemed necessary. The Group has made provision for unaudited tax years of 2,250 (31.12.2019: 3,250).

Under Circulars 1154/2017, 1191/2017, 1192/2017, 1194/2017 and 1208/2017, the Governor of the Independent Public Revenue Authority (AADE) provided instructions for the equable implementation of what was approved under num. CoS 1738/2017 (Plenary session.), CoS 2932/2017, CoS 2934/2017 and CoS 2935/2017 decisions of the Council of State (CoS) as well as num. 268/2017 Opinion of the Legal Council of the State (LCS).

The above circulars present a five-year limitation period - based on the general rule - for FYs from 2012 thereafter, as well as for the tax years for which the Code of Tax Procedure - CTP applies (from 2014 thereafter), except for special exceptions as defined in the relevant provisions of the CTP.

Therefore, and in accordance with the provisions of Circ. 1192/2017, the right of the State for tax attribution until the fiscal year 2014 has expired within the fiscal year 2020, unless there is a case of application of the special provisions regarding 10, 15 and 20 years of limitation. The unaudited years per Group Company are analytically presented in Note 5.

The Management considers that in addition to the provisions made, any tax amounts that may arise will not have a material impact on equity, profit or loss and cash flows of the Group and the Company.

Tax Compliance Certificate

For the years 2011 and until 2015, the companies of the Group operating in Greece and meeting the relevant criteria for being included in tax auditing by the Certified Public Accountants have received a Certificate on Tax Compliance according to par. 5 of article 82 of Law 2238/1994 and Article 65A paragraph 1 of Law 4174/2013, without any substantial differences. It should be noted that, according to Circular 1006/2016, the companies which have been subject to the above special tax audit are not exempted from the regular tax audit by the competent tax authorities. Furthermore, according to the relevant legislation, for the years 2016 onwards, the audit and issue of the Tax

Compliance Certificate is valid on a voluntary basis. In this context, a tax compliance certificate for the year 2016 and 2017 was not received by the parent company and the Greek subsidiaries while for the fiscal years 2018 and 2019, received Tax Compliance Certificate the parent company and most of the Group's companies operating in Greece.

The special audit for the issuance of the Tax Compliance Certificate for the year 2020 for the Group's companies operating in Greece is in progress and the relative tax certificates are expected to be issued after the publication of the financial statements of 31.12.2020. At the end of the tax audit, Management does not expect significant tax liabilities to incur other than those recorded and reflected in the Group's and Company's financial statements. It should be noted that, according to the issues mentioned in the Circular 1192/2017, the right of the State for a tax charge up to and including the year 2014 has lapsed unless the specific provisions on 10-year, 15-year, and 20-year limitation periods apply.

44.2 Commitments from construction contracts

The backlog of the construction contracts of the Group amounts to Euro 1,510 million on 31.12.2020 (31.12.2019:1,553 million euro). Under these commitments, the Group has issued letters of guarantee of good performance at an amount of EUR 972 million (31.12.2019: 769 million euro).

44.3 Court cases

The Company and its consolidated companies are involved (in their capacity as defendant and plaintiff) in various court cases in the context of their normal operation. In particular, in the case of legal proceedings against the Group for accidents at work that occurred during the execution of construction works, it is noted that the Group is insured against accidents at work and therefore no significant burden is expected to arise from the possible negative outcome of such court cases.

The Group makes provisions in the financial statements for outstanding legal cases when it is probable that an outflow of resources will be required to settle the obligation and that this amount can be reliably estimated. In this context, the Group has recognized as of 31.12.2020 provisions of 5,392 (31.12.2019 4,830) for litigations (see Note 24).

The Management, as well as the legal consultants, consider that, apart from the above-mentioned provisions, pending cases are expected to be settled without significant adverse effects on the consolidated financial position of the Group or the Company or the results of their operation, beyond the already established provision for litigations.

Client claims against Joint Venture "SIEMENS A.G. - AKTOR SA - TERNA SA" in which the Group participates and the counterpart claim of the Joint Venture

On 29.12.2015, the Hellenic Railways Organization ("OSE") filed a litigation to the Piraeus Court of Appeal against the joint venture under the title "SIEMENS A.G. - AKTOR SA - TERNA SA", whose member is the subsidiary of the Issuer TERNA SA.

The legal dispute arose from the project “Renovation of a railway line and manufacture of signaling electrification - telecommunication in the part of Piraeus - Athens - Three bridges - SKA - Acharnes / Three bridges - Ano Liossia (connection to SKA – Korinthos High Speed Railway Line)", whose contractor was the aforementioned joint venture, following the decision made by OSE on the final cessation of operations and termination of no. 994/2005 project implementation agreement.

OSE demands that the joint venture should pay the amount of 22,062 plus interest as from 5.12.2014, otherwise from 31.12.2015, as unduly paid, on the ground that this amount does not correspond to a contractual benefit that OSE received from the joint venture. In particular, based on the aforementioned litigation, this amount constitutes a deviation, on the one hand between the work invoiced by the joint venture "Siemens AG - Aktor SA - Terna SA" and paid by OSE to the joint venture, and, on the other hand, the revised (by OSE) final measurement of the conducted work and the project.

In addition, a payment of Euro 624 plus interest is requested as from 01.09.2011, otherwise from 31.12.2015, which corresponds to the unamortized part of the prepayment that had been paid to the joint venture contractor of the project, in the context of its implementation.

The hearing of the case had been initially scheduled for 21.09.2017, however, after cancellations and postponements, was rescheduled for 05.12.2019, when it was also canceled. It had already been rescheduled for hearing on 18.03.2021 which was postponed and the appointment of a new date is expected from the Court.

At a stage prior to the aforementioned OSE litigation, the joint venture contractor of the project and the companies participating in it, as at 30.03.2012 have filed an appeal against OSE and against the final measurement of the project so that it should be revised. This appeal, initially rejected by the Piraeus Court of Appeal for formal reasons, was again referred to the five-member Piraeus Court of Appeal under no. 1038/2017 decision of the Supreme Court published on 16.06.2017.

The above appeal was heard, after being postponed, on 17.1.2019 and it was issued the no.330/2020 decision which refers to trial the said appeal to the Piraeus Court of Appeal in a three-member panel. After that, the Joint Venture filed a relevant summons to determine a judicial at the Piraeus Court of Appeals in a three-member composition and it was set for trial on 17.03.2022. The decisions issued so far on the above dispute by both the Piraeus Court of Appeal and the Supreme Court, do not address the substance of the legal dispute, but only concern the formal issues.

The members of the joint venture "Siemens AG - Aktor SA - Terna SA" are jointly and severally liable to OSE. Regarding the internal relations between the members of the joint venture, every member bears relative responsibilities according to its participation rate, i.e. TERNA SA - by 37.5%, AKTOR SA - by 37.5% and SIEMENS AG - by 25%, as arising from the no. 15158 / 26.08.2003 Act of the notary of Athens, Eleni Theodorakopoulou.

According to the Company, regarding the case in question, the legal consultants who handle it, estimate that a positive outcome is possible. Furthermore, no provision has been recognized, as according to the Company's Management a) the existence of a commitment has not been finalized so far, b) it is not probable that there will be an outflow of financial resources and c) the relevant amount cannot be reliably estimated.

Claims against Joint Venture «TERNA SA – SICES Construction SPA» in which the Group participates

On 20.12.2019, VIOTEK Anonymous Technical Commercial and Industrial Company (hereinafter "VIOTEK") filed a litigation to the Athens Multi-Member Court of First Instance against the joint venture under the title "TERNA SA – SICES Construction SPA", whose member is the subsidiary of the issuer TERNA SA. The legal dispute arose under the project "Upgrading ELPE Elefsina refineries-Mechanical Works (Area 1)", regarding the contracting joint venture, which subcontracted to VIOTEK the operations of "Pre-construction and construction of the pipelines – construction of supports of the U32 unit", in compliance with the agreement signed in July 2010. This project has been completed and finally delivered to the client on 02.05.2014.

VIOTEK's potential claim against the joint venture amounts to 14,534 plus legal interest and VAT.

The members of the joint venture "Terna SA - SICES Construction SPA" are jointly and severally liable to VIOTEK. Regarding the internal relations between the members of the joint venture, every member bears relative responsibilities according to its participation rate, i.e. TERNA SA - by 50% and SICES Construction SPA - by 50%, as arising from the private joint venture agreement as of 28.05.2010, as amended.

On 04.03.2020 before the Athens Multi-Member Court of First Instance, VIOTEK withdrew from the petition of the above litigation, explicitly reserved for its re-exercise. However, to date, the other party has not returned through a new lawsuit. However, the joint venture, in the event of a potentially adverse outcome of this case, has burdened the results of previous years by adjusting the estimated cost of the project.

44.4 Tender procedures' evolution

With the law 4782/2021, which was published on 9.3.2021, it was reformed the existing regulatory framework for public contracts, of the law 4412/2016, which incorporates in Greek law Directives 2014/24/EU(L94/65) and 2014/25 /EU(L94/243) as well as laws 3433/2006 (A' 20), 3883/2010 (A' 167) and 3978/2011 (A' 137) which regulate issues of public agreement in the sectors of defense and security. According to the explanatory memorandum with Part A ', the provisions of law 4412/2016 are reformed, which constitutes the existing regulatory framework for issues of public contracts of procurement, services and projects in order to simplify and clarify the provisions, reduce bureaucracy, increase the effectiveness of public contracts' award and execution procedures, the expansion of the use of electronic tools (e-procurement), the increase of the participation of small and medium-sized enterprises in public contracts' procedures and the treatment of pathogens, such as the issue of too low bids and the excessive attachment to formality versus the substance of the offers. Law 4412/2016 presented a number of problems that had been identified by the contracting authorities as well as the economic operators. The effort to address them has been fragmented and, in many cases, insufficient. It is characteristic that the provisions of law 4412/2016 had been amended more than 300 times. However, the current economic situation has led to the need to increase the efficiency of the procedures for the preparation, award and execution of public contracts in order to speed up the relevant procedures, while improving the quality of goods, services and works supplied to the State without discounts in the terms of transparency and integrity. In addition, the effectiveness of the public contracts system is expected to strengthen the capacity of the Greek State to make public investments but also to faster absorption and utilization of EU funds and financial facilities, in particular, in view of the NSRF 2021-2027 program period and the exploitation of Recovery and Resilience Fund's (RRF) capabilities for the support of reorganization and strengthening the resilience of the economies of the Member States of the European Union against crises. The realization of the above objectives will be seen in the implementation of the above institutional framework.

Furthermore, the Competition Commission on 08.01.2021, having in mind article 11 of Law 3959/2011 for regulatory intervention in sectors of the economy, decided ex officio to initiate the relevant procedure in the construction sector and proceeded in sending relevant questions for provision of information from the companies of the construction industry. Hellenic Competition Commission published on 07.04.2021 its preliminary views regarding the conditions of competition in the construction sector and invites any interested party to contribute to the public consultation on the text of its views. The duration of the consultation lasts from 08.04.2021 until 07.05.2021 and the Group processes its active participation in it with the aim, among other things, of highlighting any incorrect data on the text of the Competition Commission.

45 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION'S REFERENCE DATE

Since 01.01.2021 and up until the approval date of the accompanying financial statements, the following significant events were noted:

- On 18.01.2021, the European Commission approved the financing, by the Greek State of the construction of the northern part of the E65 motorway, with the amount of Euro 442 million. The project is part of Central Greece Motorway (E65), which has been granted with a Concession Agreement to the affiliated company CENTRAL GREECE MOTORWAY SA and which will be executed by the constructive Consortium CENTRAL GREECE MOTORWAY (E65). The approval was given following the notification submitted by the Greek State of a state aid measure towards the European Commission's General Directorate of Competition, by which the Greek State activated its rights and expressed interest in fully financing the construction of Deferred Section B or "ATB", which includes the subdivisions A / K Trikala - A / K Grevena (32,450km) and A / K Grevena - A / K Egnatia "(30,610km). It is expected the signing of the Amendment of the Concession Agreement and its approval by the Parliament, in order to start, within 2021, the construction works.

- Following the catastrophic earthquake of 03.03.2021 that struck the municipality of Tyrnavos, which resulted in irreparable damage to the school in Damasi Tyrnavos, TERNA SA applied to make a donation for the construction of a new school, replacing the old one.

- On 08.03.2021 TERNA SA signed with the company SEGER GREECE SA, a contract for the execution of the project "Renovation and reuse of MIRAMARE Hotel in Moraitika, Corfu", with a contractual object of Euro 7.8 million and a construction-duration of 5 months.

- On 23.03.2021 TERNA SA signed with the National Railway Infrastructure Company of Bulgaria (NRIC) for the construction of the project "Construction of railway infrastructure and electrification of the Petrarch - Dragoman section and design, construction and supervision by the designer of the signaling and telecommunications of the part Voluiak - Dragoman ", with Budget Euro 154.7 million and with a construction period of 48 months.

46 APPROVAL OF THE FINANCIAL STATEMENTS

The corporate and consolidated Financial Statements for the year ended 31.12.2020 were approved by the Board of Directors of TERNA SA on April 26, 2021.

THE CHAIRMAN OF THE BoD	THE EXECUTIVE DIRECTOR
MICHAIL GOURZIS	ALEXANDROS MICHAILIDIS
THE CHIEF FINANCIAL OFFICER	THE DIRECTOR OF ACCOUNTING DEPARTMENT
PANAGIOTIS KAZANTZIS	ANASTASIA GKAMARI