

**PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY
(PROTERGIA ENERGY S.A.)**

**Annual Financial Statements
for the Financial Year from
1st January 2018 up to 31st December 2018**

It is hereby certified that the attached Financial Statements are the ones approved by the Board of Directors of
“PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY ” on 27.03.2019, that they were posted on the
internet, under www.prot-energy.gr.

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A. Board of Directors' Management Report

According to the relevant provisions of Codified Law 2190/20, as superseded from 1-1-2019 by articles 150 - 154 of Law 4548/2018, we present today to your meeting for approval the financial statements of the Company for the year 2018 (01/01/2018-31/12/2018) as well as our observations on these as follows:

1. PROGRESS OF THE ACTIONS OF THE COMPANY FOR THE CLOSING FINANCIAL YEAR FROM 01/01/2018-31/12/2018

The company is in the process of being organized and in the year 2018 it has not been active in the object designated as its purpose.

2. FINANCIAL POSITION

At 31.12.2018 the share capital of the Company amounts to € 69,654, divided into 89,300 registered shares of a nominal value of € 0.78 per share.

The equity of the company on 31/12/2018 was less than 1/2 of the share capital, therefore it has applied, the provisions of article 47 of the Codified Law 2190/1920 as it was replaced by 1/1/2019 by art. 119 par. 4 of N.4548/2018. The Management will take all the necessary measures to ensure that the Company will be able to continue its activity for at least 12 months.

3. FINANCIAL RISK MANAGEMENT

For trade and other receivables, the Company is not exposed to significant credit risk. Given the nature of the Company's operations, there is no significant concentration of credit risk in relation to its trade receivables as the company is in the process of being organized.

4. FINANCIAL RESULTS

The loss after tax for the period is € 10.93 thousands compared to € 10.58 thousands in the previous year.

5. ENVIRONMENTAL ISSUES

The company applies the Mytilineos' Group Environmental Management System:

- Compliance with legislative requirements as a minimum commitment, continuous assessment and monitoring of all environmental parameters related to its operation are key components of the company's environmental management, by investing the required financial resources.
- The Company applies ISO 14001/2015 certified Environmental Management System, supported by specific environmental policies (e.g Electric Power and Gas Business Unit Environmental Policy).
- The Company, as part of its environmental practices, is responsible for collecting and recycling its waste, as well as the good management of water consumption.

6. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

There are no other significant subsequent events that relate to the Company, which shall be required to be mentioned according to the International Financial Reporting Standards (IFRSs).

More and detailed information on the Company's financial position and financial results are reported in the notes in accordance with IFRSs.

DINOS BENROUBI

The President of the Board and Chief Executive Officer

PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY

B. Independent Auditor's Report

To the Shareholders of PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY

Report on the Financial Statements

We have audited the accompanying financial statements of PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY (the Company), which comprise the statement of financial position as at December 31, 2018, statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY as at 31 December 2018, its financial performance and 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 conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 the management's intention is to proceed with liquidating the Company or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, 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, incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise

*Financial Statements for the period
from January 1st to December 31st, 2018*

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We disclose to the management, 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 Requirements

1. Board of Directors' Report

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility 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 43a, CL 2190/1920, and its content corresponds to the accompanying financial statements for the year ended as at 31/12/2018.

b) Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY and its environment.

2. Provisions of article 47 of the Codified Law 2190/1920

The equity of the company on 31/12/2018 was less than ½ of the share capital, therefore it has applied, the provisions of article 47 of the Codified Law 2190/1920, as it was replaced by 1/1/2019 by art. 119 par. 4 of N.4548/2018. As mentioned in the Notes on Financial Statements 5 and 6.4, the Management will take all the necessary measures to ensure that the Company will be able to continue its activity for at least 12 months.

Athens, 27/3/2019

The Certified Public Accountant

Athanasia Kourti

I.C.P.A. Reg. No.: 52251



C. Statement of profit and loss

PROTERGIA ENERGY S.A.

(Amounts in EUR)	1/1-31/12/2018	1/1-31/12/2017
Sales	-	-
Cost of sales	-	-
Gross profit	-	-
Other operating income	-	60
Administrative expenses	(9,831)	(9,399)
Other operating expenses	-	(36)
Earnings before interest and income tax	(9,831)	(9,375)
Financial expenses	(103)	(202)
Profit before income tax	(9,933)	(9,577)
Income tax expense	(1,000)	(1,000)
Profit for the period	(10,933)	(10,577)
Result from discontinuing operations	-	-
Profit for the period	(10,933)	(10,577)
Attributable to:		
Equity holders of the parent	(10,933)	(10,577)
Non controlling Interests	-	-
Summary of Results from continuing operations		
Definition of line item: OperEarnings before income tax,financ.res,depr&amort		
Profit before income tax	(9,933)	(9,577)
Financial results	103	202
Subtotal	(9,831)	(9,375)
Oper.Earnings before income tax,financial results,depreciation and amortization	(9,831)	(9,375)

The notes attached hereto are listed on pages 14-35 and they form an integral part of these financial statements.

D. Statement of Comprehensive Income

PROTERGIA ENERGY S.A.		
	31/12/2018	31/12/2017
<i>(Amounts in EUR)</i>		
Other Comprehensive Income:		
Net Profit/(Loss) For The Period	(10,933)	(10,577)
Items that will not be reclassified to profit or loss:		
Items that may be reclassified subsequently to profit or loss:		
Other Comprehensive Income:	-	-
Total Comprehensive Income For The Period	(10,933)	(10,577)
Total comprehensive income for the period attributable to:		
Equity attributable to parent's shareholders	(10,933)	(10,577)
Non controlling Interests	-	-

The notes attached hereto are listed on pages 14-35 and they form an integral part of these financial statements.

E. Statement of Financial Position**PROTERGIA ENERGY S.A.**

<i>(Amounts in EUR)</i>	31/12/2018	31/12/2017
Assets		
Non current assets		
Current assets		
Other receivables	2,678	8,661
Cash and cash equivalents	21,887	23,794
	24,566	32,455
Assets	24,566	32,455
Liabilities & Equity		
EQUITY		
Share capital	69,654	69,654
Share premium	15,000	15,000
Other reserves	(605)	(605)
Retained earnings	(66,469)	(55,535)
Equity attributable to parent's shareholders	17,580	28,514
EQUITY	17,580	28,514
Non-Current Liabilities		
Non-Current Liabilities	-	-
Current Liabilities		
Tax payable	1,000	1,000
Other payables	5,985	2,942
Current Liabilities	6,985	3,942
LIABILITIES	6,985	3,942
Liabilities & Equity	24,566	32,455

The notes attached hereto are listed on pages 14-35 and they form an integral part of these financial statements.

F. Statement of changes in equity**PROTERGIA ENERGY S.A.**

	Share capital	Share premium	Other reserves	Retained earnings	Total
<i>(Amounts in EUR)</i>					
Opening Balance 1st January 2017 ,according to IFRS -as published-	69,654	15,000	(605)	(44,958)	39,091
<u>Change In Equity</u>					
Transactions With Owners	-	-	-	-	-
Net Profit/(Loss) For The Period	-	-	-	(10,577)	(10,577)
Other Comprehensive Income:					
Total Comprehensive Income For The Period	-	-	-	(10,577)	(10,577)
Closing Balance 31/12/2017	69,654	15,000	(605)	(55,535)	28,514
Opening Balance 1st January 2018 ,according to IFRS -as published-	69,654	15,000	(605)	(55,535)	28,514
<u>Change In Equity</u>					
Transactions With Owners	-	-	-	-	-
Net Profit/(Loss) For The Period	-	-	-	(10,933)	(10,933)
Other Comprehensive Income:					
Total Comprehensive Income For The Period	-	-	-	(10,933)	(10,933)
Closing Balance 31/12/2018	69,654	15,000	(605)	(66,469)	17,580

The notes attached hereto are listed on pages 14-35 and they form an integral part of these financial statements.

G. Cash flow statement

PROTERGIA ENERGY S.A.		
	1/1-31/12/2018	1/1-31/12/2017
<i>(Amounts in EUR)</i>		
<u>Cash flows from operating activities</u>		
Profit for the period	(10,933)	(10,577)
Adjustments for:		
Tax	1,000	1,000
Interest expenses	103	202
	1,103	1,202
<u>Changes in Working Capital</u>		
(Increase)/Decrease in trade receivables	5,983	4,783
Increase / (Decrease) in liabilities	3,044	2,942
	9,026	7,724
Cash flows from operating activities	(804)	(1,650)

PROTERGIA ENERGY S.A.		
	1/1-31/12/2018	1/1-31/12/2017
<i>(Amounts in EUR)</i>		
<u>Cash flows from operating activities</u>		
Cash flows from operating activities	(804)	(1,650)
Interest paid	(103)	(202)
Taxes paid	(1,000)	(1,000)
Net Cash flows continuing operating activities	(1,907)	(2,853)
Net Cash flows discontinuing operating activities	-	-
Net Cash flows from continuing and discontinuing operating activities	(1,907)	(2,853)
<u>Net Cash flow from continuing and discontinuing investing activities</u>		
Net Cash flow from continuing investing activities	-	-
Net Cash flow from discontinuing investing activities	-	-
Net Cash flow from continuing and discontinuing investing activities	-	-
<u>Net Cash flow continuing and discontinuing financing activities</u>		
Net Cash flow continuing financing activities	-	-
Net Cash flow from discontinuing financing activities	-	-
Net Cash flow continuing and discontinuing financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(1,907)	(2,853)
Cash and cash equivalents at beginning of period	23,794	26,647
Net cash at the end of the period	21,887	23,794
Cash and cash equivalent	21,887	23,794
Net cash at the end of the period	21,887	23,794

The notes attached hereto are listed on pages 14-35 and they form an integral part of these financial statements.

1. Information about the Company

1.1 General Information

The Company under the company name «PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY» (PROTERGIA ENERGY SA) was established in 2009 and has its registered office in the Municipality of Marousi (ARTEMIDOS 8, 151 25). The Company is registered in the Athens Chamber of Commerce and Industry, Directorate of Registers and Development of Information Systems, Department: Registry / GEMI Service, with Registry Number GEMI : 009084101000. The financial statements for the year ended December 31, 2018 were approved by the Board of Directors on 27.3.2019. All amounts are in Euro.

1.2 Corporate Purpose

Pursuant to Article 3 of the Articles of Association, the Company's objective is to conduct commercial and business activities in the field of electricity. Among the activities of the Company are the creation and exploitation of wind farms and the disposal of the generated electricity in accordance with local legislation and the provision of wind power advisory services and, in general, the exercise of any other activity directly or indirectly links or promotes the achievement of the aforementioned corporate purpose.

For the achievement of its above purpose, the Company may set up or participate in any form of companies, cooperate and associate in any way with natural or legal persons pursuing similar or related purposes with its own.

2. Financial Statements preparation framework

2.1 Note of compliance

The financial statements of “PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY” dated 31 December 2018 and covering the financial year from 1.1.2018 – 31.12.2018, have been drawn up based on the principle of historic cost as amended through the adjustment of specific assets and liabilities in current values, the principle of going concern and they comply with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), as well as of their interpretations, as issued by the IFRS Interpretations Committee of the IASB.

The drawing up of the financial statements according to the IFRSs requires the use of accounting valuations and the judgment of the management during the implementation of the accounting principles of the Company. Any significant recognitions by the management for the implementation of the accounting methods of the Company have been emphasized where it is deemed appropriate.

The company “PROTERGIA THERMOELEKTRIKI SOCIÉTÉ ANONYME” (former “ARGYRITIS S.A.”) participates by 100% in “PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY”. The company’s separated financial statements is consolidated in Mytilineos SA with the method of full consolidation.

2.2 Major accounting judgments, estimations and assumptions

The preparation of the financial statements according to the IFRSs requires the formation of judgments, estimations and assumptions on behalf of the management, which influence the published records of assets and liabilities, as well as the notification of the contingent receivables and liabilities on the date the financial statements are being drafted and the published amounts of income and expenses during the reporting period. The actual results may differ from the ones which have been estimated.

Any estimations and judgments are continuously reassessed and they are based both on past experience and on other factors, including the prospects for future events which are considered reasonable on the grounds of the specific conditions.

2.2.1 Judgments

During the procedure of implementation of the accounting principles and judgments of the management, save the ones which include estimations, which are formed by the management, which have the most significant impact on the amounts recognized in the financial statements and which mainly refer to:

- **Classification of Investments**

Management decides for the classification of an investment upon acquisition (i.e. if it is classified as held-to-maturity, held for trading, measured at fair value through profit or loss, or available for sale). For investments held to maturity, the management examines whether the criteria set in IAS 39 are met, namely that the Company has the intent and ability to hold them until their maturity. The Company classifies the investments as held for trading purposes if they are primarily acquired to generate short-term profit. Classification of investments at fair value through profit or loss depends on the manner in which the management monitors the return on such investments. When investments are not classified as held for trading but their fair values are available and reliable and changes in fair values are included in the profit or loss, then they are classified as at fair value through profit or loss. All other investments are classified as available for sale.

- **recovery of receivables**

The commercial receivables are initially designated at fair value and then are measured at amortized cost minus the allowances for doubtful accounts, using the method of effective interest rate. When the Company has objective indications that not all amounts due shall be collected, according to the terms of each agreement, it forms a provision for the depreciation of commercial receivables. The amount of such provision is calculated as the difference between the book value of receivables and the present value of the estimated future cash flows, which are discounted using the effective interest rate. The amount of the provision is included in "other operating expenses" in the profit and loss statement.

- **Obsolescence of Inventory**

Provision for slow moving, damaged or obsolete inventories is made when necessary. The impairments at the net realizable value of inventories are charged in the profit and loss statement in the period the occur..

- **should a lease agreement which is concluded with an external lesser be entered as operating or leasing agreement**

Leases, for which all the risks and rewards of the leased property remain substantially with the lessor, are identified as operating leases. The amounts paid for the repayment of the above lease installments are recorded in the profit and loss statement. Any leases relating to tangible assets for which the Company substantially holds all risks and rewards from the leased assets are identified as leasing agreements.

2.2.2 Estimations and assumptions

Specific amounts (which are included in or affect the financial statements and the relevant disclosures) need to be estimated, which requires the formation of assumptions regarding values or conditions which may not be known in certainty when the financial statements are prepared. Significant accounting estimation is the estimation which is important for the view of the financial position and the results of the Company and which require the most difficult, subjective or complicated management judgments, often as a result of the need to form estimations regarding the effect of uncertain assumptions. The Company continuously evaluates the estimations made, based on past results and experience, meetings with experts, trends and other methods which are considered to be reasonable given the particular conditions, as well as the estimations regarding how the assumptions made may change in the future.

- **Income taxes**

Significant estimations are required in determining the provisions regarding differences, which may occur, during the audit of the income tax by the competent authorities. There are many transactions and calculations, the exact tax computation for which is uncertain in the normal course of the activities of the undertaking. The Company recognizes its liabilities concerning the anticipated issues of tax audit, based on estimations of whether any additional taxes are due. If the final amount of taxes imposed due to these affairs differs from the amounts as initially calculated, said differences shall affect the income tax and the provisions of deferred taxation for the period during which such amounts have been determined.

- **Provisions**

Doubtful accounts are reported at the amounts likely to be recoverable. As soon as it is known that a specific account is subject to a risk greater than the ordinary credit risk (i.e. poor creditworthiness of customer, dispute as to the existence of debt or the amount thereof, etc.) the account is analyzed and a provision is made in case the conditions indicate that the receivable will remain, wholly or partly, uncollectible.

Environmental Liabilities: There is no obligation for the Company to form this kind of provision.

- **Contingent Liabilities**

The Company is involved in litigation and claims in the normal course of business. The management considers that any settlements would not significantly affect the Company's financial position on 31 December 2018. However, the determination of contingent liabilities related to the litigation and claims is a complicated process involving judgments about the possible consequences and interpretations of laws and regulations.

Changes in the judgments or interpretations are likely to result in an increase or decrease in the Company's contingent liabilities in the future.

2.3 Segmental Reporting

In accordance with IFRS 8, segment reporting is the one used by management internally to assess the performance of operating segments and the allocation of resources in these areas. The Company has its headquarters in Athens and, according to its articles of association, is engaged in commercial and business activities in the field of electricity generated by wind power.

3. Basic accounting principles

3.1 Changes in accounting principles

The accounting policies, based on which the financial statements were drafted, are consistent with those used for the drafting of the financial statements for the financial year 2017, with the exception of the application of new standards and interpretations whose application is mandatory for financial years beginning on January 1st, 2018.

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

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2018.

IFRS 9 “Financial Instruments” (effective for annual periods starting on or after 01/01/2018)

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking “expected loss” impairment model and a substantially-reformed approach to hedge accounting. The new Standard does not affect separate Financial Statements.

IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods starting on or after 01/01/2018)

In May 2014, the IASB issued a new Standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The key principles on which the Standard is based are consistent with much of current practice. The new Standard is expected to improve financial reporting by providing a more robust framework for addressing issues as they arise, increasing comparability across industries and capital markets, providing enhanced disclosures and clarifying accounting for contract costs. The new Standard will supersede IAS 11 “Construction Contracts”, IAS 18 “Revenue” and several revenue related Interpretations. The new Standard does not affect separate Financial Statements.

Clarification to IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods starting on or after 01/01/2018)

In April 2016, the IASB published clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but clarify how those principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time. The amendments do not affect the separate Financial Statements.

Amendment to IFRS 2: “Classification and Measurement of Share-based Payment Transactions” (effective for annual periods starting on or after 01/01/2018)

In June 2016, the IASB published narrow scope amendment to IFRS 2. The objective of this amendment is to clarify how to account for certain types of share-based payment transactions. More specifically, the amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligation, as well as, a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments do not affect the separate Financial Statements.

Amendments to IFRS 4: “Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts” (effective for annual periods starting on or after 01/01/2018)

In September 2016, the IASB published amendments to IFRS 4. The objective of the amendments is to address the temporary accounting consequences of the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts Standard. The amendments to existing requirements of IFRS 4 permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until 2021 (the “temporary exemption”) and also permit all issuers of insurance contracts to recognize in other comprehensive

income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the “overlay approach”). The amendments do not affect the separate Financial Statements.

Annual Improvements to IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB issued Annual Improvements to IFRSs – 2014-2016 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2014-2016 cycle. The issues included in this cycle and are effective for annual periods starting on or after 01/01/2018 are the following: IFRS 1: Deletion of short-term exemptions for first-time adopters, IAS 28: Measuring an associate or joint venture at fair value. The amendments do not affect the separate Financial Statements.

Amendments to IAS 40: “Transfers of Investment Property” (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property. That change in use should be supported by evidence. The amendments do not affect the separate Financial Statements.

IFRIC 22 “Foreign Currency Transactions and Advance Consideration” (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB issued a new Interpretation, IFRIC 22. IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The new Interpretation does not affect the separate Financial Statements.

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

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

IFRS 16 “Leases” (effective for annual periods starting on or after 01/01/2019)

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer (‘lessee’) and the supplier (‘lessor’), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The above have been adopted by the European Union with effective date of 01/01/2019.

The Management has examined the expected effect of IFRS 16 application on 01/01/2019 as well as its estimated effect on the financial statements.

Under the transition, liabilities arising from the effective operating leases will be discounted through applying the relevant discount rate. The arising present value will be recognized as a lease liability. The rights to use the assets will be measured in the same way as the lease obligation, adjusted by the amount of any prepaid or accrued rentals.

The company will apply the new standard using the cumulative effect method, under which comparative sizes for the previous year will not be restated. At the same time, explanations regarding the reasoning behind changes in the financial statements will be provided as a result of first time IFRS 16 application.

The final effect arising from IFRS 16 application will depend on the discount rate effective as at 01/01/2019, determination of the lease agreements, falling within the scope of the new Standard as at that date, the final evaluation of the lease term, in particular with respect to the exercise of any renewal and termination rights, and incorporation of new acquisitions.

In general, based on the current estimates made by the Management, the effect of first time IFRS 16 application is expected to be as follows:

The Separated Statement of Financial Position as at 01/01/2019 is expected to record an increase in total assets due to capitalization of assets with rights to use and a corresponding increase in the lease liabilities of approximately € 13.8 thousands.

In respect of the Income Statement for FY 2019, depreciations are expected to increase of approximately € 3.3 thousands and the amounts recorded in the item "Interest and related expenses" are expected to increase of approximately € 0.41 thousands. Decrease in rental expenses is expected to lead to an improvement in "Operating profits before financial and investing activities, depreciation and amortization" of approximately € 3.4 thousands.

Amendments to IFRS 9: “Prepayment Features with Negative Compensation” (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the “negative compensation” feature would have been viewed as introducing potential cash flows that were not

solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

IFRIC 23 “Uncertainty over Income Tax Treatments” (effective for annual periods starting on or after 01/01/2019)

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 “Income Taxes” specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

Amendments to IAS 28: “Long-term Interests in Associates and Joint Ventures” (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: IFRS 3 - IFRS 11: Previously held interest in a joint operation, IAS 12: Income tax consequences of payments on financial instruments classified as equity, IAS 23: Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The company 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.

Amendments to IAS 19: “Plan Amendment, Curtailment or Settlement” (effective for annual periods starting on or after 01/01/2019)

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The company 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.

Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)

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

Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The company 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.

Amendments to IFRS 3: “Definition of a Business” (effective for annual periods starting on or after 01/01/2020)

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to

investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The company 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.

Amendments to IAS 1 and IAS 8: “Definition of Material” (effective for annual periods starting on or after 01/01/2020)

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The company 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.

IFRS 17 “Insurance Contracts” (effective for annual periods starting on or after 01/01/2021)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The company 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.

3.2 Tangible Assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, as determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent cost is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Company and their cost can be accurately and reliably measured. The repair and maintenance cost is booked in the results when such is realized.

Depreciation of tangible fixed assets (other than Land which are not depreciated) is calculated using the straight line method over their useful life, as follows:

Buildings	20-35 years
Mechanical Equipment	4-20 years
Vehicles	4-10 years
Other Equipment	4-10 years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the income statement.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results. Expenditure on repairs and maintenance is booked as an expense in the period they occur.

Self-constructed tangible fixed assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee's salaries (including the relevant employer's contributions), the cost of materials used and other general costs.

3.3 Intangible Assets

Intangible assets include trademarks and licenses, software licenses as well as research and development costs.

Trademarks

Trademarks and licenses are valued at cost value minus amortizations. Amortizations are performed by the fixed method during the useful life of said assets.

Software

Software licenses are valued in cost of acquisition less accumulated depreciation. Depreciation is calculated using the straight line method during the assets' useful life that range from 3 to 5 years. Any expenses required for the development and maintenance of software are recognized as expenses when realized. Any expenses incurred for the development of specific software, which are controlled by the Company, shall be recognized as intangible assets.

3.4 Financial Instruments

A financial asset or financial liability is recognized in the statement of financial position when it arises or when the Company becomes part of the contractual terms of the financial instrument.

Financial assets are classified at initial recognition and are subsequently measured at amortized cost at fair value through other comprehensive income and fair value through profit or loss.

i) Initial recognition

Initially, the company measures financial assets at fair value. Trade receivables (which do not contain significant financial assets) are carried at transaction price.

If a financial asset is to be classified and measured at amortized cost or at fair value through comprehensive income, it shall generate cash exclusively pertaining to capital and interest repayments of the initial capital. The business model applied by the Mytilineos' Group for the purposes of managing financial assets refers to the way in which it manages its financial capabilities in order to generate cash flows. The business model determines whether cash flows will arise from collecting contractual cash flows, disposal of financial assets, or both. Acquisition or disposal of financial assets that require delivery of assets within a timeframe specified by a regulation or a contract is recognized as at the transaction date, i.e. as at the date when the company makes a commitment to acquire or to dispose of the asset.

ii) Classification and subsequent measurement

To facilitate subsequent measurement purposes, financial assets are classified into the following categories:

a) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for sale or repurchase in the near future. Derivatives, including embedded derivatives, are also classified as held for trading, unless they are defined as effective hedging instruments. Financial assets with cash flows referring not only to capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

b) Financial assets at amortized cost

The company measures financial assets at amortized cost if both of the following conditions are met: (1) the financial asset is held in order maintain financial assets for the purposes of collecting contractual cash flows; and (2) the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

Financial assets which are measured at amortized cost, subsequently apply the Effective Interest Rate Method (EIR) and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

c) Financial assets at fair value through total comprehensive income

Upon initial recognition, the company may decide to irrevocably classify its investment participations as equity instruments designated at fair value through total comprehensive income when they meet the definition of equity and are not held for trading. Classification is determined per financial instrument. Profits and losses from these

financial assets are never recycled to profits or losses. Equity instruments designated at fair value through total comprehensive income are not subject to impairment test.

iii) Derecognition

A financial asset is derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b) has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

iv) Impairment

The company recognizes provision for impairment for expected credit losses regarding all financial assets not measured at fair value through profit or loss. Expected credit losses are based on the balance between all the payable contractual cash flows and all discounted cash flows that the company expects to receive.

Regarding trade receivables, the company applies simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, provision for losses regarding a financial instrument is measured at an amount equal to the expected credit losses over its lifetime without monitoring changes in credit risk.

3.5 Inventories

At the balance sheet date, inventories are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price during the normal course of the company's business less any relevant sales expenses. The cost of inventories does not include financial expenses.

3.6 Trade Receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their amortized cost using the method of the effective interest rate, less the provision for impairment. In the event that the amortized cost or the cost of a financial asset exceeds the present value, then this asset is valued at its recoverable amount, i.e. at the present value of the future cash flows of the asset, which is calculated using the real initial interest rate.

The relevant loss is immediately transferred to the period's profit and loss. The impairment losses, i.e. when there is objective evidence that the Company is unable to collect all the amounts owed based on the contractual terms, are recognized in the income statement.

3.7 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, as well as any short-term high liquidity investments, such as money market products and bank deposits. Money market products are financial assets which are valued at fair value through the profit and loss account.

3.8 Non-current assets classified as held for sale

The assets available for sale also include other assets (including Goodwill) and tangible fixed assets that the Company intends to sell within one year from the date they are classified as "Held for sale".

The assets classified as "Held for sale" are valued at the lowest value between their book value immediately prior to their classification as available for sale, and their fair value less the sale cost. Assets classified as "Held for sale" are not subject to depreciation. The profit or loss that results from the sale and reassessment of assets "Held for sale" is included in "other income" and "other expenses" respectively, in the income statement.

The Company has not classified any non-current assets as held for sale.

3.9 Share Capital

Expenses incurred for the issuance of shares reduce, after deducting the relevant income tax, the proceeds from the issue.

Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired.

3.10 Income Tax & deferred tax

The tax for the period comprises current income tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to Equity. In such case the related tax is, accordingly, booked directly to Equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the taxable income of the period and any additional income taxes from previous periods (tax audit differences).

Current taxes are calculated according to tax rates and tax laws which apply to accounting periods they are related to, based on the taxable profit for the year. All changes made to short-term tax assets or liabilities are recognized as part of the tax expenses in the profit and loss statement.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets and liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.

Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the balance sheet date is used.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Company and it is possible that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences are recognized directly in the Equity of the Company, such as the revaluation of property value, that results in the relevant change in deferred tax assets or liabilities being charged against the relevant Equity account.

3.11 Employee benefits

Short-term benefits: Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is booked as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.

Post-employment benefits: Post-employment benefits comprise pensions or other benefits (life insurance and medical insurance) the company provides after retirement as an exchange for the employees' service with the company. Thus, such benefits include defined contribution plans as well as defined benefit plans. The Company does not have any defined benefit plans. The accrued cost of defined contribution plans relates to the legal compensation and is booked as expense in the period that is incurred.

3.12 Grants

The Company recognizes Government Grants that cumulatively satisfy the following criteria:

a) There is reasonable certainty that the company has complied or will comply to the conditions of the grant and b) it is probable that the amount of the grant will be received.

Government Grants are booked at fair value and are systematically recognized as revenues according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Government Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenues over the useful life of the fixed asset.

3.13 Provisions

Provisions are recognized when the Company has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated.

Provisions are reviewed during the date when each balance sheet is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent assets are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

3.14 Recognition of income and expenses

Income: Income includes fair value of performed works, sales of goods and services, net of Value Added Tax, discounts and returns. The recognition of income is carried out as follows:

- **Sales of goods:** Sales of goods are recognized when the Company delivers the goods to customers, such goods are accepted by them and the collection of the claim is reasonably assured.
- **Provision of services:** Income from the provision of services is accounted for the period during which such services are provided, based on the stage of completion of the service in relation to the total services to be rendered.
- **Income from assigned rights for the utilization of tangible assets (offsets):** The fair value of assigned rights is recognized as deferred and is amortized through the income statement according to the rate of completion of contracts for which these rights have been assigned.
- **Interest income:** Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.
- **Dividends:** Dividends are accounted for as revenue, when the right to receive payment is established.

- **Expenses:** Expenses are recognized in profit and loss on an accrual basis. The payments made for operating leases are transferred to profit and loss as expenses, during the time of utilization of the leased premises. Expenses from interests are recognized on an accrual basis.

3.15 Leases

Company as Lessee: Leases of fixed assets with which all the risks and rewards related with ownership of an asset are transferred to the Company, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases. These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of financial expenses, are reported as liabilities. The part of the financial expense that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful life and the lease term. Lease agreements where the lessor transfers the right of use of an asset for an agreed period of time, without transferring, however, the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognized in the income statement proportionately throughout the term of the lease.

Company as lessor: When fixed assets are leased through financial leasing, the present value of the lease is recognized as a receivable. The difference between the gross amount of the receivable and its present value is registered as a deferred financial income. The income from the lease is recognized in the period's results during the lease using the net investment method, which represents a constant periodic return.

Fixed assets that are leased through operating leases are included in the balance sheet's tangible assets. They are depreciated during their expected useful life on a basis consistent with similar owned tangible assets. The income from the lease (net of possible incentives given to the lessees) is recognized using the constant method during the period of the lease.

3.16 Distribution of dividends

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the financial statements on the date when the distribution is approved by the General Meeting of shareholders.

4. Management of financial risks

4.1 Policies for managing financial risks

The financial instruments of the company consist mainly of short-term deposits. The Company is not exposed to financial risks because the company is in the process of being organized.

4.2 Liquidity Risk

Liquidity risk is related with the company's need for the sufficient financing of its operations and development. The relevant liquidity requirements are the subject of management through the meticulous monitoring of debts of long term financial liabilities and also of payments made on a daily basis.

The Company ensures that there is sufficient available credit facilities to be able to cover its short-term business needs, after the calculation of cash flows arising from the operation as well as cash and cash equivalents which are held. The funds for long-term liquidity needs ensured by a sufficient amount of loanable funds and the ability to sell long-term financial assets. The tables below summarize the maturity profile of the company's liabilities as at 31.12.2018 and 31.12.2017 respectively:

PROTERGIA ENERGY S.A.					
Liquidity Risk Analysis - Liabilities (Amounts in EUR) 2018	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Other payables	5,985	-	-	-	5,985
Total	5,985	-	-	-	5,985

Liquidity Risk Analysis - Liabilities (Amounts in EUR) 2017	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Other payables	2,942	-	-	-	2,942
Total	2,942	-	-	-	2,942

5. Capital Management

The management of the Company's capitals aims to ensure its capacity to continue its activity and develop its investment program.

At 31.12.2018 the share capital of the Company amounts to € 69,654, divided into 89,300 registered shares of a nominal value of € 0.78 per share.

The equity of the company on 31/12/2018 was less than 1/2 of the share capital, therefore it has applied, the provisions of article 47 of the Codified Law 2190/1920 as it was replaced by 1/1/2019 by art. 119 par. 4 of N.4548/2018. The Management will take all the necessary measures to ensure that the Company will be able to continue its activity for at least 12 months.

6. Notes on Financial Statements

6.1 Intangible assets

The intangible assets in 2018 & 2017 are equal to zero.

6.2 Other Receivables

PROTERGIA ENERGY S.A.		
	31/12/2018	31/12/2017
<i>(Amounts in EUR)</i>		
Receivables from the State	2,678	8,661
Total	2,678	8,661

6.3 Cash and Cash Equivalents

PROTERGIA ENERGY S.A.		
	31/12/2018	31/12/2017
<i>(Amounts in EUR)</i>		
Cash	463	622
Bank deposits	21,424	23,173
Total	21,887	23,794

6.4 Equity

Share capital

PROTERGIA ENERGY SA		
<i>(Amounts in EUR)</i>	Share Capital	Share premium
Opening as at 1.1.2017	69,654	15,000
Increase/ (Decrease) Share Capital/Premium	-	-
Closing as at 31.12.2017	69,654	15,000
Opening as at 1.1.2018	69,654	15,000
Increase/ (Decrease) Share Capital/Premium	-	-
Closing as at 31.12.2018	69,654	15,000

At 31.12.2018 the share capital of the Company amounts to € 69,654, divided into 89,300 registered shares of a nominal value of € 0.78 per share.

The equity of the company on 31/12/2018 was less than 1/2 of the share capital, therefore it has applied, the provisions of article 47 of the Codified Law 2190/1920 as it was replaced by 1/1/2019 by art. 119 par. 4 of N.4548/2018. The Management will take all the necessary measures to ensure that the Company will be able to continue its activity for at least 12 months.

Other reserves

PROTERGIA ENERGY S.A.									
(Amounts in EUR)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Financial instruments valuation reserve	Stock Option Plan Reserve	Actuarial Gain/Losses Reserve	Merger reserve	Other reserves
Opening Balance 1st January 2017, according to IFRS -as published-	-	(605)	-	-	-	-	-	-	(605)
Closing Balance 31/12/2017	-	(605)	-	-	-	-	-	-	(605)
Opening Balance 1st January 2018, according to IFRS -as published-	-	(605)	-	-	-	-	-	-	(605)
Closing Balance 31/12/2018	-	(605)	-	-	-	-	-	-	(605)

6.5 Tax Liabilities

PROTERGIA ENERGY S.A.		
(Amounts in EUR)	31/12/2018	31/12/2017
Tax expense for the period	1,000	1,000
Total	1,000	1,000

6.6 Other Short-term Liabilities

PROTERGIA ENERGY SA		
(Amounts in EUR)	31/12/2018	31/12/2017
Amounts due to affiliated parties	5,985	2,942
Total	5,985	2,942

6.7 Administrative Expenses

PROTERGIA ENERGY S.A.		
(Amounts in EUR)	31/12/2018	31/12/2017
Administrative expenses		
Third party expenses	5,940	5,558
Operating leases rent	3,383	3,269
Taxes & Duties	122	118
Other expenses	386	455
Total	9,831	9,399

6.8 Other Operating Income / Expenses

PROTERGIA ENERGY S.A.		
(Amounts in EUR)	31/12/2018	31/12/2017
Other operating income		
Other	-	60
Total	-	60
Other operating expenses		
Other taxes	-	36
Total	-	36

6.9 Financial Income / Expenses

PROTERGIA ENERGY S.A.		
	31/12/2018	31/12/2017
<i>(Amounts in EUR)</i>		
Financial expenses		
Other Banking Expenses	103	202
Total	103	202

6.10 Income taxes

PROTERGIA ENERGY S.A.		
	31/12/2018	31/12/2017
<i>(Amounts in EUR)</i>		
Extraordinary Income Tax	1,000	1,000
Total	1,000	1,000
Earnings before tax	(9,933)	(9,577)
Tax calculated at the statutory tax rate	-	-
Extraordinary Income Tax	1,000	1,000
Effective Tax Charge	1,000	1,000

For the years 2011 to 2013 the company was subject to the tax audit of the Certified Auditors Accountants provided by the provisions of Article 82 § 5 of Law 2238/1994, while from 1/1/2014 the company applies the provisions of article 65A § 1 of Law 4171/2013. The company is not subject to tax audit under the provisions of article 65A § 2 of L.4174 / 2013 for fiscal years 2014 and 2015 and under the provisions of article 56 § 1 of L.4410 / 2016 for fiscal years 2016-2018.

The tax rate of the public limited liability entities in Greece as at 31.12.2018 is 29% (2017:29%). According to the new tax law 4579/2018, which was voted on December 2018, the tax rate on the earnings of business activity of legal entities, will gradually decrease by 1% per year, as following: 28% for tax year 2019, 27% for tax year 2020, 26% for tax year 2021 and 25% for tax year 2022 and thereafter.

6.11 Collaterals

There are no collaterals on the assets of the Company.

6.12 Contingent assets – liabilities

There are no litigation or arbitration disputes that have a significant impact on the financial position or operation of the Company. The company “PROTERGIA SOCIETE ANONYME OF SUPPLY AND TRADE OF ELECTRICITY” has not

been audited for the first twelve-month period of 2010, the year 2014 and the years 2015-2018. The Company has not made any provision because it is estimated that no significant tax differences will arise.

6.13 Number of employed personnel

The company does not employ personnel.

6.14 Transactions with associated parties

PROTERGIA ENERGY SA		
(Amounts in EUR)	31/12/2018	31/12/2017
Services Purchases		
Parent	-	-
Other Related Parties	5,383	5,269
Total	5,383	5,269

PROTERGIA ENERGY SA		
(Amounts in EUR)	31/12/2018	31/12/2017
Balance from sales/purchases of stock/services payable		
Parent	-	-
Other Related Parties	5,985	2,942
Total	5,985	2,942

Transactions with these companies are conducted on a purely commercial basis. The Company did not engage in any transaction of an unusual nature or content that is material to the Company, or to companies and individuals closely associated with it, and does not intend to engage in such transactions in the future. None of the transactions involve special terms and conditions and no warranty has been given or received within the year.

6.15 Undertaken operating Lease obligations

The minimum future lease payments, payable under non-cancellable operating leases on 31/12/2018 and 31/12/2017 are as follows:

PROTERGIA ENERGY S.A.		
(Amounts in EUR)	31/12/2018	31/12/2017
Until 1 year	3,485	3,383
1 to 5 years	15,017	18,501
> 5 years	16,343	16,343
Total Operating Lease	34,844	38,227

6.16 Events after the date of the balance sheet

There are no other significant subsequent events that relate to the Company, which shall be required to be mentioned according to the International Financial Reporting Standards (IFRSs).

Marousi, 27 March 2019

The President of the Board and Chief
Executive Officer

The Member of BoD

DINOS BENROUBI
ID. No. Ξ 110308

IOANNIS ANTONOPOULOS
ID. No. AB 030487

The Chief Financial Officer

The Chief Accountant

SPYRIDON PETRATOS
ID. No. AB 263393

STYLIANOS PALIKARAS
ID. No. AK 621204