**AVAX S.A.**

**Annual Financial Statements**

**for the period January 1st to December 31st, 2023**

**AVAX S.A.**

*Company's Number in the General Electronic Commercial Registry :913601000 (former Company's Number in the Register of Societes Anonymes: 14303/06/B/86/26)*

16 Amaroussiou-Halandriou str.,151-25, Marousi, Greece

**ANNUAL FINANCIAL REPORTING**

**WEBSITE WHERE THE COMPANY'S AND CONSOLIDATED FINANCIAL STATEMENTS ARE AVAILABLE**

We hereby certify that the attached Annual Financial Statements, which are an integral part of the annual financial report of article 4 of Law 3556/2007, are those approved by the Board of Directors of "AVAX SA" on 24.04.2024 and have been published by posting them on the internet, at (www.avax.gr), as well as on the Athens Stock Exchange web site, where they will remain at the disposal of the investing public for at least ten (10) years from the date of their compilation and disclosure. The Annual Financial Statements of the Group's subsidiaries are also published at www.avax.gr.

## STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

**(in accordance with article 4, paragraph 2c of Law 3556/2007)**

In our capacity as executive members of the Board of Directors of AVAX SA (the «Company»), and according to the best of our knowledge, we,

1. Christos Joannou, Chairman and Executive Director
2. Konstantinos Kouvaras, Deputy Chairman and Executive Director
3. Konstantinos Mitzalis, Managing Director,

state the following:

- the financial statements for the period from 01.01.2023 to 31.12.2023, prepared under the International Financial Reporting Standards currently in effect, give a true view of the assets, liabilities, equity and financial results of the Company, as well as the businesses included in the consolidation of the Group,
- the Annual Report of the Board of Directors of the Company gives a true view of the evolution, the performance and the stance of the Company, as well as the businesses included in the consolidation of the Group, including an overview of the main risks and uncertainties they face, along with other information required by paragraph 2 of article 4 of Law 3556/2007.

Marousi, April 24, 2024

| CHAIRMAN & EXECUTIVE DIRECTOR | DEPUTY CHAIRMAN & EXECUTIVE DIRECTOR | MANAGING DIRECTOR |
|---|---|---|
| CHRISTOS JOANNOU<br>AID: 0000889746 | KONSTANTINOS KOUVARAS<br>ID: AI 597426 | KONSTANTINOS MITZALIS<br>ID: AN 033558 |

**ANNUAL REPORT OF THE BOARD OF DIRECTORS**

**FOR THE PERIOD FROM 01.01.2023 TO 31.12.2023**

**[in accordance with article 4 of Law 3556/2007, Decision #8/754/14.04.2016 of the Board of Directors of Greece's Capital Markets Commission, article 2 of Law 3873/2010, article 1 of Law 4403/2016, article 2 of Law 4336/2015 and articles 150-154 of Law 4548/2018]**

Dear Shareholders,
this annual report of the Board of Directors for 2023 has been prepared according to corporate and capital markets legislation and the decisions of the Capital Markets Commission to depict the true development and performance of Group AVAX during 2023, as well as the main risks and uncertainties to be dealt with.

The management report of the Board of Directors is an integral part of the financial statements included in the Annual Financial Report 2023, presenting an analysis of the Group's activities, financial and non-financial key elements for the performance of the Group and the Company during 2023, information on the events affecting the business Group and the risks identified, estimates for the expected course and development of the Group's business sectors, and data on transactions with related parties. It also includes a section on Non-Financial Information and Taxonomy, a Corporate Governance Report and an Explanatory Report on the Company's share capital, in accordance with current legislation.

**A. Important Events during 2023**

The following are the most important events during 2023 for all Group companies:

*Sale of 100% subsidiary Volterra SA*

Following the sale of the participations of 100% subsidiary Volterra SA in a 112MW RES project portfolio to PPC Group in the first half of 2022, AVAX signed in August 2023 an agreement with Mytilineos Group regarding the sale of its entire stake in Volterra, a transaction is line with the Company's strategic plan to focus on construction, concessions and real estate which exhibit positive growth prospects for the coming years. The transaction was approved by the Competition Commission on 07.03.2024. The Group is currently in the process of transferring the shares of IXION SA from Volterra to AVAX SA, in line with the signed sale agreement, and is proceeding with the transfer of Volterra SA, which is expected to be completed by 30.06.2024. As of 31.12.2023, the prerequisites of the IFRS 5 (paragraph 9, section B1a and B1c) are met regarding the classification of the energy trading activity as Group of Assts and Liabilities for Disposal.

*[see the relevant Note to the Financial Statements for further details]*

*New Projects*

The Group was particularly successful in 2023 regarding the addition of new projects by the Group, having signed initial and supplementary contracts for public & private works, subcontracts and services with a total value of €1,443 million, on the back of signing contracts totaling €875 million in 2022. The new projects provide a further boost to the Group's work-in-hand, entering a period of accelerating pace of execution of Group projects and set up of construction sites to start new projects.

*Work-in-Hand*

The Group's work-in-hand based on signed projects as of 31.12.2023 amounted to €3,047 million, compared to €1,861 million at the end of 2022. So far in 2024 up until the publication of this Financial Report, the Group has signed some low-value contracts, while currently there are contracts pending to be signed worth €243 million to the Group. Taking into account all afore-mentioned projects, and excluding the execution of projects during 2024, the Group's work-in-hand currently amounts to around €3.3 billion. Out of this total, domestic and international projects account for 78% and 22% respectively, while public sector-related works represent 46% and private sector and PPP projects make up 54% of the total. At the same time, bidding and signing of new projects continues, the largest part of which will be executed beyond 2024. Based on the afore-mentioned data on signed and pending projects, project execution is projected at some €680 million for 2024, with the balance scheduled from 2025 onwards.

It should be noted that the Group's work-in-hand is a strong indicator, yet not an accurate and binding forecast for the evolution of future revenues from the Group's construction activity. Occasionally, there are changes and adjustments to the technical scope of the contracts related to various external factors or delays caused by amendments to engineering designs or incomplete designs when contracts are signed.

*[see the relevant Note to the Financial Statements for further details]*

*Litigation Developments*

a. In the pending court case against construction company "Technical Union", and regarding the arbitration decision #21/2005 which ordered Technical Union to pay to the Company €16.3 million plus interest, for a deficit in its shareholder funds which was absorbed by the Company, there are pending acts of the executive process with auctions or confiscation of assets owned by the family of the former shareholders of Technical Union for collection of the claim. Following the death of the owner of Technical Union, the progress of the execution of the court order is paused until the identity of his heirs is revealed. The claim amounts to €1.82 million following its impairment as per IAS 37.

b. The appraisal ordered towards the Company's lawsuit against PPC for a project in Atherinolakkos, Crete was set the claimed amount at €6,031,637 on 17.09.2020. This petition was accepted in favour of the Company for an amount of €4,757,158 plus interest, which are calculated from December 2009 onwards and amounted to around €6 million until 14.06.2023. PPC filed an appeal which was tried on 18.01.2024 and the relevant ruling is pending.

c. The 31.12.2023 balance sheet item for Receivables from Clients includes an amount of €14,788,000 claimed from the Government of Lebanon, which was been impaired over time. Following the conclusion of the court hearing process, which according to the Company's legal councel was positive for our interests, a ruling is expected to be published in 2024. As regards the degree of recovery of the claim, following the ruling of the International Centre for Settlement of Investment Disputes (ICSID) and the bankruptcy announcement by the Government of Lebanon on 04.04.2022, the Company has endorsed the opinion of its legal councel, according to which:

1. The ICSID operates under the auspice of the World Bank

2. Arbitration is governed by the 1965 Washington Treaty on Settlement of Investment Disputes between sovereign states and subjects of other states, and its rulings are final and binding for the parties involved which have to comply with it. Should any state not comply with and refuse to pay the compensation awarded by the ruling, is in breach of international obligations imposed by international treaties and therefore is internationally liable.

3. Arbitration rulings issued as final and binding, as per the Washington Treaty, cannot be appealed except by a annulment petition before the ICSID, regardless of the location of the arbitration procedure.

4. In the event that the Government of Lebanon does not comply with such a ruling, the Company is entitled to take measures to execute the order in a total of 158 country members of the Washington Treaty, and not limited to Lebanon and Greece, where both countries are Treaty members.

Therefore, the Company re-affirms the provisioned amount for recovering the claim, impaired over time, given that the announcement of Lebanon's bankruptcy does not give rise to any need for further impairment.

*[see the relevant Note to the Financial Statements for further details]*

*Appointment of Market maker for Company shares*

The Company signed with Optima Bank a one-year market-making agreement starting on 04.09.2023, to improve the liquidity of its shares.

**B. Main Risks and Uncertainties for 2024**

**1. Economic & Political Developments**

The global economy in 2024 faces the challenge of unwinding interest rates in key currencies, which had risen significantly in a relatively short period of time to counter the sharp inflationary pressures on food, manufactured goods and transport costs on the back of energy crisis outbreak in the second half of 2021 and Russia's invasion of Ukraine in the beginning of 2022. Transport costs are expected to be affected by war conflicts in the Middle East and, above all, the difficulty in sailing commercial ships from the Red Sea and the Suez Canal.

The outperformance of certain sectors, such as tourism, combined with foreign direct investment and the available European funds for recovery after the covid-19 pandemic, have allowed the Greek economy to outperform in an international environment of economic stagnation and geopolitical uncertainty. These conditions for our country are expected to continue in the medium term given the political stability, the implementation of the auction schedule for large projects and investments in infrastructure with the use of private funds.

**2. Risks and Uncertainties**

Group activities are subject to various risks and uncertainties pertaining to the nature of its business activities, prevailing geopolitical, credit and currency conditions, relations with clients, suppliers and subcontractors. To a large extent, the risk arising from these relations and transactions is predictable or may be managed through the selection of the appropriate policy due to the accumulated expertise of the Group's senior staff and official procedures. Applying risk management policies, the Group aims to mitigate and limit overall risk to tolerable and manageable levels for its operations.

The main risks and uncertainties, their management policies and their impact on Group activities, are as follows:

**b. War conflict in Ukraine and the Middle East**

The Group does not have any exposure to the markets of Ukraine and Russia as the Eastern European region is not a strategic choice for construction or other business activities. The overall footprint of international sanctions against Russia cannot be determined and quantified yet, but any impact on the Group will only have an indirect effect through international developments in raw material prices, energy costs and international freight cost.

Similarly, the Group is currently not involved in any business activity in the areas of the Middle East where armed conflicts have erupted, but is affected by the increased cost of sea freight for building materials and other equipment through the Red Sea or around Africa.

**b. International rise in prices of construction materials, transport and fuel**

The gradual return of the global economy to normalcy following the covid-19 pandemic sparked off inflation in the production cost of the construction industry due to the rise in prices of certain construction materials, mechanical equipment, transportation costs and fuels. Since 2022, Greece introduced measures to mitigate inflationary pressures in the cost of public projects, as well as those public projects and PPPs in the auction pipeline.

Those inflationary trends burdened the Group's gross result until approximately the first half of 2023, while conditions are easing off as the new projects signed from 2022 onwards incorporate the altered execution costs.

The impact on the Group's gross result was largely absorbed and integrated into the financial results of previous years, as the budgets of past projects were revised with a reduction in the gross margin. Completion of these older projects within the first half of 2023 partially mitigated the impact of inflationary pressures.

*[see the relevant Note to the Financial Statements for further details]*

**c. Credit Risk & Losses**

The Group's Strategic Planning & Risk Management Committee has adopted a credit policy according to which the credit score of new clients is assessed individually before being officially offered the standard terms and conditions of payment and delivery. Regarding public works, until the economic environment improves, the Group follows a policy of participating only in tenders where project financing is secured with European Union funds.

At any point in time, the Group is involved in a large number of projects in Greece and abroad, with select clients with a proven record of reliability and credit worthiness. In the local market, the Greek State has traditionally been the largest client, as the private sector historically is a small player in building facilities and infrastructure projects where the Group specialises in. Participation in self-financed projects in the form of concessions and PPP has somewhat limited the participation of the Greek

State in total Group revenues. In international markets, the Group is mostly involved in private sector projects. Under this light of clientele diversification, the Group presents a medium level of credit risk concentration.

As a result of the international practice in the construction sector, Group transactions are required to be secured to a large extent by the intervention of the banking sector and international credit insurance firms in issuing guarantees in all stages of a signed project contract, from participating in the bidding, to receiving an advance payment, the execution of the project in discrete phases until its final delivery.

To calculate the provision for impairment of receivables from clients and other debtors, the Group assesses the risk level of each client according to the aging breakdown of receivables in arrears and their broader credit-worthiness.

This way, the Group provides a realistic view of the level of doubtful receivables in its financial accounts and keeps any adverse impact in upcoming financial periods in check.

| *amounts in € '000* | **GROUP** | | **COMPANY** | |
|---|---|---|---|---|
| | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| Receivables from Clients (A) | 139,129 | 150,263 | 120,713 | 132,169 |
| Receivables from Clients, in arrears over 2 years (B) | 25,894 | 38,440 | 23,419 | 35,105 |
| Percentage of Receivables from Clients in arrears over 2 years (B / A) | **18.6%** | **25.6%** | **19.4%** | **26.6%** |

**d. Input Price Risk**

The Group is exposed to volatility in input prices for raw materials and other supplies, which in most cases are internationally-priced commodities, such as cement, metal rebars and fuel. The Group is centrally purchasing supplies for all its subsidiaries to secure economies of scale. In several cases it pre-orders large quantities of supplies to lock in their purchase price and escape future price shifts.

**e. Liquidity Risk**

Liquidity risk refers to the likelihood of current assets, ie those that may be disposed of on a short-term span, being insufficient to cover short-term liabilities when they become due. The following table shows the Group had positive net current assets at the end of 2023, albeit lower compared to a year earlier.

| *amounts in € '000* | **GROUP** | | **COMPANY** | |
|---|---|---|---|---|
| | **2023** | **2022** | **2023** | **2022** |
| Current Assets, excluding cash & restricted short-term | 558,399 | 440,478 | 536,348 | 421,015 |

| | | | | |
|---|---|---|---|---|
| deposits (A) | | | | |
| Short-term Liabilities, excluding bank debt and Leasing (B) | 417,552 | 292,138 | 404,593 | 285,596 |
| Net Current Assets (A – B) | **140,847** | **148,339** | **131,755** | **135,419** |

The Group follows a policy of securing adequate cash to meet upcoming liabilities at any point in time. To this extent, the Group seeks to maintain cash in physical form (or in agreed credit lines) sufficing for expected payments over the period of a month. The Finance Department prepares a detailed monthly and 12-month cash plan, and revises on a quarterly basis the 7-year budget and cash flow statement, to plan and secure the Group's requirements in operating cash flow.

The basic criterion in evaluating the course of cash liquidity is the aging analysis or maturity of the Group's financial liabilities, starting from balance sheet date until those liabilities are due.

The following tables provide an analysis of the aging of liabilities for the Company and the Group as of 31.12.2023 and the comparable date in 2022.

*Aging Analysis of "Loans & Leasing"*

| *amounts in € '000* | | | | |
|---|---|---|---|---|
| **GROUP** | **< 1 year** | **1 - 5 yrs** | **> 5 yrs** | ***Total*** |
| **31.12.2023** | | | | |
| Bond Loans & Other Long-Term Loans | 0 | 196,856 | 171 | *197,027* |
| Short term Loans | 27,863 | 0 | 0 | *27,863* |
| Long-term Loans – due in next 12months | 34,540 | 0 | 0 | *34,540* |
| Leasing (Operating & IFRS 16) | 21,416 | 41,457 | 28,979 | *91,852* |
| Total | 83,818 | 238,313 | 29,150 | *351,282* |
| | | | | |
| **31.12.2022** | | | | |
| Bond Loans & Other Long-Term Loans | 0 | 225,928 | 3,000 | *228,928* |
| Short term Loans | 30,685 | 0 | 0 | *30,685* |
| Long-term Loans – due in next 12months | 47,436 | 0 | 0 | *47,436* |
| Leasing (Operating & IFRS 16) | 12,088 | 32,077 | 31,618 | *75,782* |
| Total | 90,208 | 258,005 | 34,618 | *382,831* |

| *amounts in € '000* | | | | |
|---|---|---|---|---|
| **COMPANY** | **< 1 year** | **1 - 5 yrs** | **> 5 yrs** | ***Total*** |
| **31.12.2023** | | | | |
| Bond Loans & Other Long-Term Loans | 0 | 195,021 | 0 | *195,021* |

| | | | | |
|---|---|---|---|---|
| Short term Loans | 27,058 | 0 | 0 | *27,058* |
| Long-term Loans – due in next 12months | 34,233 | 0 | 0 | *34,233* |
| Leasing (Operating & IFRS 16) | 20,129 | 35,722 | 5,657 | *61,507* |
| Total | 81,419 | 230,743 | 5,657 | *317,819* |
| | | | | |
| **31.12.2022** | | | | |
| Bond Loans & Other Long-Term Loans | 0 | 225,928 | 3,000 | *228,928* |
| Short term Loans | *25,642* | 0 | 0 | *25,642* |
| Long-term Loans – due in next 12months | *47,436* | 0 | 0 | *47,436* |
| Leasing (Operating & IFRS 16) | 10,864 | 27,997 | 7,639 | *46,500* |
| Total | 83,942 | 253,925 | 10,639 | *348,506* |

*Aging Analysis of "Suppliers & Other Short-term Liabilities"*

| *amounts in € '000* | **< 1 year** | **1 - 5 yrs** | **> 5 yrs** | ***Total*** |
|---|---|---|---|---|
| | | **GROUP** | | |
| 31.12.2023 | 251,536 | 40,309 | 40,373 | *332,218* |
| 31.12.2022 | 184,322 | 19,657 | 33,947 | *237,926* |
| | | | | |
| | | **COMPANY** | | |
| 31.12.2023 | 244,638 | 40,669 | 39,355 | *324,642* |
| 31.12.2022 | 183,911 | 20,508 | 35,823 | *240,243* |

*Aging Analysis of "Advances from Clients"*

| *amounts in € '000* | **< 1 year** | **1 - 5 yrs** | **> 5 yrs** | ***Total*** |
|---|---|---|---|---|
| | | **GROUP** | | |
| 31.12.2023 | 32,688 | 16,109 | 17,308 | *66,105* |
| 31.12.2022 | 17,424 | 10,299 | 7,435 | *35,158* |
| | | | | |
| | | **COMPANY** | | |
| 31.12.2023 | 31,137 | 15,345 | 16,487 | *62,969* |
| 31.12.2022 | 16,474 | 8,811 | 7,258 | *32,543* |

The following tables provide an analysis of the aging of receivables for the Company and the Group as of 31.12.2023 and the comparable date in 2022.

*Aging Analysis of "Receivables from Clients"*

| amounts in € ‘000 | No arrears | In arrears <1 year | In arrears >1 year <2years | In arrears >2 years | *Total* |
|---|---|---|---|---|---|
| | **GROUP** | | | | |
| 31.12.2023 | 80,319 | 18,542 | 14,374 | 25,894 | *139,129* |
| 31.12.2022 | 68,400 | 27,908 | 15,514 | 38,440 | *150,263* |
| | | | | | |
| | **COMPANY** | | | | |
| 31.12.2023 | 65,862 | 17,348 | 14,083 | 23,419 | *120,713* |
| 31.12.2022 | 55,741 | 26,808 | 14,514 | 35,105 | *132,169* |

*Aging Analysis of “Other Receivables”*

| amounts in € ‘000 | No arrears | In arrears <1 year | In arrears >1 year <2years | In arrears >2 years | *Total* |
|---|---|---|---|---|---|
| | **GROUP** | | | | |
| 31.12.2023 | 93,551 | 30,286 | 27,311 | 21,591 | *172,739* |
| 31.12.2022 | 51,261 | 37,157 | 13,046 | 18,794 | *120,258* |
| | | | | | |
| | **COMPANY** | | | | |
| 31.12.2023 | 83,484 | 31,421 | 28,491 | 33,860 | *177,256* |
| 31.12.2022 | 43,453 | 38,285 | 13,758 | 31,182 | *126,678* |

**f. Cash Flow Risk**

The Group occasionally makes limited and prudent use of complex financial products in association with the banking sector to hedge the cash flow primarily to specific investments in self-financed projects. The part of the cash flow hedge which was absolutely effective is credited directly to shareholder funds through the Table of Changes in Own Equity of concessionaires, in line with the provisions of the International Accounting Standards. The ineffective part of the gain or loss is charged directly to the income statement of the companies. Therefore, the Group books its share in its consolidated financial accounts according to the respective entries in associated companies, in line with International Accounting Standard 28.

**g. Forex Risk**

The Group receives a large part of its revenues from works in international markets, with a significant portion of those revenues coming from countries outside the eurozone. In cases of projects outside the eurozone, the Group makes an effort to match its receivables in foreign currency with payables in the same currency, effectively hedging part of its foreign exchange risk. The Group also carries out very limited financial hedging of its receivables and payables in foreign currency through agreements with banking institutions, given that the exact dates of those transactions are not predictable. During 2023, transactions outside the Eurozone were limited as no projects in those regions were added, while ongoing projects were at an advanced stage of completion.

Sensitivity analysis of Group financial position to potential shifts in foreign currency parities shows that the impact on financial results and shareholder funds of a ±5% variation in the exchange rates which the Group is exposed to amounts to ±€1.80 million at the end of 2023, versus ±€0.79 million in the previous year. It should be noted that the effect on Group results and shareholder funds from exchange rate swings in 2023 was almost exclusively attributed to the US dollar. There, the Group's overall forex risk exposure at the end of 2023 was generally limited, as evidenced by afore-mentioned sensitivity analysis data.

**h. Insurance Risk**

The Company and its subsidiaries are covered by reputable insurance companies against basic risk arising from their business activity, relating to breakdowns and damages in their technical equipment, personnel accidents, and force majeure events. Insurance coverage is bound to usual terms for each contract and is seen adequate overall. Basic insurance provides full coverage of the undepreciated accounting value of fixed assets against catastrophic and other risks, with an emphasis on technical equipment in Greece and abroad as well as construction projects. Insurance contracts for projects also cover civil responsibility of the Company versus third parties.

**i. Geopolitical Risk**

Geopolitical risk is present throughout the Eastern Mediterranean region, the Middle East and Northern Africa Group due to conflicts and unrest linked to the overturning of old political regimes, the rise of new fanatic religious groups, and the conflict for control of natural resources. The Group's international activity and expansion outside Europe is focused on countries with a reduced geopolitical risk.

**j. Financial Risk**

The Group finances its fixed assets with long-term bond loans and its operations with working capital, while also using performance bonds issued by banking institutions to participate in project tenders and guarantee their proper execution to clients. The terms and pricing of those financial products, ie lending interest rate spreads and bond fees, are determined by international and local liquidity conditions on which the Group has partial control through negotiations with the local banking system.

Total debt for the Group amounted to €259.4 million on 31.12.2023 versus €307.0 million a year earlier, with its long-term segment accounting for 76% of the total in 2023 as opposed to 75% in 2022. At parent company level, total debt amounted to €256.3 million at the end of 2023 versus €302.0 million in the previous year. Group liabilities from leasing contracts amounted to €91.9 million on 31.12.2023 versus €75.8 million in 2022.

According to the sensitivity analysis of the Group's debt to potential changes in the Euribor rate, the effect of a ±100 basis point interest rate variation on Group financial results and shareholder funds at the end of 2023 amounts to ±€2.74 million, versus ±€2.51 million in the previous year. At parent company level, the respective effect at the end of 2022 amounted to ±€2.46 million versus ±€2.21 million a year earlier.

### 3. Dividend Policy

Company management will propose to shareholders at the Annual General Meeting for 2023, which is scheduled for 12.06.2024, the distribution of a €0.03 gross dividend per share for 2023, while in the comparable period it distributed a €0.07 dividend per share. The proposed dividend is subject to shareholder approval at the general assembly. The proposed dividend will be charged against the special capital reserve provided by article 48 of Law 4172/2013, accumulated in past periods.

### 4. Own Shares

As of the end of 2023, and up to the date of publication of this Report, neither the parent company nor its subsidiaries held any own shares (sovereign stock). It should be noted that the Annual General Meeting of Company shareholders on 14.06.2023 approved the purchase of up to 10,000,000 own shares over the next 24 months, at a price range of €0.50 to €4.00 per share.

### C. Important Transactions Between the Company and Related Parties

The most important transactions of the Company over the 01.01.2023-31.12.2023 period with related parties as per IAS 24, pertain to transactions with subsidiaries, as follows:

| **Group** *(amounts in € '000)* | **Income** | **Expenses** | **Receivables** | **Payables** |
|---|---|---|---|---|
| AGIOS NICHOLAOS CAR PARK SA | 43 | - | 3 | - |
| OLYMPIA MOTORWAY OPERATION SA | 1,821 | - | 107 | - |
| OLYMPIA MOTORWAY CONCESSION SA | 1,227 | 96 | 83 | 578 |
| KEDRINOS LOFOS SA | - | - | 245 | - |
| KEDRINOS LOFOS OPERATION SA | - | - | 3 | - |
| ATHENS RING ROAD SA | 22,123 | 283 | 2,401 | 12,765 |
| ATTIKA DIODIA SA | - | 16 | 47 | 402 |
| AEGEAN MOTORWAY SA | 10,936 | 25 | 190 | 543 |
| MOREAS SA | 4,135 | - | 249 | 1 |
| SALONICA PARK SA | 35 | - | 13 | - |
| POLISPARK SA | 4 | - | 1 | - |
| ATHENS CAR PARKS SA | 111 | - | - | - |
| METROPOLITAN ATHENS PARK SA | - | - | 0 | - |
| BIOENERGY SA | 2 | - | 55 | - |
| BONATTI J&P-AVAX Srl | 72 | - | 405 | - |
| VOLTERRA A.E. | 315 | 965 | - | 2,924 |

| | | | | |
|---|---|---|---|---|
| ILIA WASTE MANAGEMENT SPV | 1,015 | - | 6,206 | 4 |
| ILIA WASTE MANAGEMENT OPERATOR SPV | 254 | - | 868 | - |
| PYRAMIS SA | - | - | - | 410 |
| LIMASSOL MARINA LTD | - | - | 19,064 | - |
| J&P (UK) LTD LONDON | - | - | - | 31 |
| JCH SERVICES LTD | - | - | - | 63 |
| 5N SA | 3 | - | 15 | - |
| CYCLADES RES ENERGY CENTRE SA | 54 | - | 82 | - |
| JCGH LTD | - | 32 | - | 1,397 |
| CSME HOLDINGS LTD | - | 25 | - | 1,096 |
| HONEYSUCKLE PROPERTIES LTD | - | 17 | - | 750 |
| J/V J&P-AVAX -J&PARASKEVAIDES OV, LTD (JORDAN) | 33 | - | 1,708 | - |
| PROJECT JOINT VENTURES | 2,642 | - | 20,456 | 15,991 |
| Department Heads and Executive Directors | - | 3,319 | - | 1,319 |
| | **44,825** | **4,778** | **52,203** | **38,274** |

| **Company** *(amounts in € '000)* | **Income** | **Expenses** | **Receivables** | **Payables** |
|---|---|---|---|---|
| ETETH SA | 8,504 | 166 | 878 | 3,922 |
| TASK AVAX SINGLE-MEMBER SA | 530 | 3,627 | 1,233 | - |
| AVAX IKTEO SA | - | 46 | - | 542 |
| GLAVIAM | 4 | - | 9 | - |
| AVAX DEVELOPMENT SINGLE-MEMBER SA | 325 | - | 9,142 | 3 |
| ATHENA CONCESSIONS SA | - | - | - | 10 |
| ERGONET SA | 20 | - | 55 | - |
| ATHENS MARINA SA | 1,234 | - | 2,438 | - |
| BONATTI J&P-AVAX Srl | 72 | - | 404 | - |
| AVAX CONCESSIONS SINGLE-MEMBER SA | 6,915 | - | 221,474 | - |
| VOLTERRA SA | 315 | 965 | 162 | 4,142 |
| IXION ENERGY SINGLE-MEMBER SA | 24 | - | - | - |
| PSM SUPPLIERS LTD | 82 | - | 44 | 2,711 |
| AVAX INTERNATIONAL LTD | 62 | 4,026 | 2,235 | 12,290 |
| GAS AND POWER TECH DMCC | - | 155 | - | - |
| CONSPEL (CYPRUS) LTD | 24 | - | - | 123 |
| OLYMPIA MOTORWAY OPERATION SA | 334 | - | - | - |
| OLYMPIA MOTORWAY CONCESSION SA | 933 | - | 82 | 282 |
| KEDRINOS LOFOS SA | 993 | - | 245 | - |

| | | | | |
|---|---|---|---|---|
| KEDRINOS LOFOS OPERATION SA | 3 | - | 3 | - |
| ATHENS RING ROAD SA | 33,719 | 267 | 1,415 | 12,697 |
| ATTIKA DIODIA SA | 390 | - | - | - |
| AEGEAN MOTORWAY SA | 222 | 0 | 0 | 0 |
| MOREAS SA | 1,357 | - | - | - |
| POLISPARK SA | 0 | - | - | - |
| METROPOLITAN ATHENS PARK SA | - | - | 0 | - |
| BIOENERGY SA | 2 | - | 55 | - |
| ILIA WASTE MANAGEMENT SPV | 758 | - | 6,206 | 4 |
| ILIA WASTE MANAGEMENT OPERATOR SPV | 254 | - | 868 | - |
| PYRAMIS SA | - | - | - | 410 |
| LIMASOL MARINA SA | - | - | 19,064 | - |
| J&P (UK) LTD LONDON | - | - | - | 31 |
| J/V J&P-AVAX -J&PARASKEVAIDES OV LTD (JORDAN) | 33 | - | 1,708 | - |
| CYCLADES RES ENERGY CENTRE SA | 54 | - | 82 | - |
| JCGH LTD | - | 32 | - | 1,397 |
| CSME HOLDINGS LTD | - | 25 | - | 1,096 |
| HONEYSUCKLE PROPERTIES LTD | - | 17 | - | 750 |
| PROJECT JOINT VENTURES | 2,361 | - | 20,031 | 15,797 |
| Department Heads and Executive Directors | - | 1,301 | - | 953 |
| | **59,521** | **10,626** | **287,834** | **57,160** |

**D. Explanatory Report of the Board of Directors**

**[in accordance with article 4 of Law 3556/2007, and its amendments]**

This explanatory report of the Board of Directors contains the information provided for by paragraph 7 of article 4 of Law 3556/2007, and is submitted to the Annual General Meeting of the Company's Shareholders as per the provisions of paragraph 8 of article 4 of Law 3556/2007 and article 188 of Law 4548/2018.

**Share capital structure of the Company**

Following the issue of 4,000,000 common registered shares with voting rights and a par value of €0,30 each, capitalising an amount of €1,200,000 from the share premium reserve in December 2023, which was approved by decision #3176854/14.12.2023 of the Development Ministry, the Company's share capital on 31.12.2023 amounted to €44,496,454.80 and was split into 148,321,516 common registered shares with a par value of € 0.30 each, carrying an equal amount of voting rights. The Company's shares are common registered with voting rights, listed on the Athens Stock Exchange in electronic, paperless format.

**Restrictions on the transfer of the Company's shares**

The transfer of the Company’s shares is governed by Greek Law and the Company Charter does not place any restrictions.

However, it should be noted that independent non-executive members of the Company's Board of Directors may not hold more than 0.5% of the paid-up share capital, in accordance with article 9 of Law 4706/2020.

Furthermore, in accordance with Article 19 of Regulation 596/2014 of the European Parliament and Council, in conjunction with the European Commission's Authorised Regulation 2016/522 and the European Commission's Implementing Regulation 2016/523, the persons discharging managerial responsibilities and the persons closely associated with them, are required to disclose transactions that are directly or indirectly conducted on their behalf and are related to the Company's shares or debt securities or derivatives or other financial instruments that are linked to them, amounting to more than €5,000 (an a gross basis, without netting off) each year.

**Significant direct or indirect participations according to articles 9-11 of Law 3556/2007**

According to the Company share register on 22.04.2024, the following shareholders control in excess of 5% of the Company share capital:

| Shareholder Name | Participation | Ultimate Beneficial Owners / Natural Persons |
|---|---|---|
| Constantine Mitzalis | • 16.132% in personal account<br>• 0.822% in a Joint Investment Account<br>• 0.607% in a fully-owned legal entity | - |
| JCGH Ltd | 13.940% | Members of the Joannou family, including Mr Stelios Christodoulou |
| CSME Holdings Ltd | 9.497% | Members of the Joannou family |
| Konstantine Kouvaras | • 0.128% in personal account<br>• 8.494% in a fully-owned legal entity | - |
| Honeysuckle Properties Ltd | 7.506% | Christos Joannou |
| Stelios Christodoulou | • 7.501% in personal account<br>• partial participation in JCGH Ltd | - |
| Christos Joannou | • 0.128% in personal account<br>• partial participation in JCGH Ltd and CSME Holdings Ltd<br>• full participation in Honeysuckle Properties Ltd | - |
| Other Shareholders, <5% each | 35.2% | |

**Holders of any type of a share granting special rights of control**

No shares of the Company provide special rights of control.

**Restrictions on voting rights**

The Company Charter does not include any restrictions on voting rights.

**Agreements between Company shareholders**

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of its shares or the exercise of voting rights.

**Rules of appointment and replacement of Board members and amendment of Charter**

The rules provided for by the Company Charter regarding the appointment and replacement of its Board members as well as the amendment of its Articles do not differ from the provisions of Law 4548/2018.

**Authority of the Board of Directors or specific Board members to issue new shares or purchase own shares**

According to the provisions of Law 4548/2018, the Board of Directors of companies listed on the Athens Stock Exchange may be authorised by the General Meeting of their shareholders to increase company capital through the issue of new shares and to acquire up to 10% of their total number of shares through the Athens Stock Exchange for a specific time period. The Company Charter does not make any provisions for this matter that differ from pertinent legislation.

The General Meeting of Shareholders on 14.06.2023 approved the purchase of up to 10,000,000 own shares, over a 24-month period at a price range of €0.50 - €4.00 per share, authorising the Board of Directors to implement that decision. Up to the date of issue of this Report, the Company has not made any transactions in own shares as part of this decision.

**Important agreements entered by the Company, which will come into effect, be amended or expire upon any changes in the Company's control following a public offer and the results of this agreement**

There is no such agreement outstanding.

**Agreements that the Company has entered with its Board members or its personnel, providing for compensation in case of resignation or release from duties without substantiated reason or in case of termination of their term or employment due to a public offer**

There are no such agreements outstanding.

**E. Labour and Environmental Issues**

Group activities are diverse and its operations span several countries outside Greece, employing staff with a wide range of skills, academic background, technical and scientific qualifications. Continuous training is offered to staff of all hierarchical levels, either internally by Group personnel or external trainers, to improve performance and job satisfaction. Personnel are also offered a series of additional benefits, such as a private healthcare plan, on top of established labour rights.

The Group's main activity, construction, is closely linked to the natural environment, both in an urban setting and in remote geographic regions. The Company applies an environmental management system according to the ISO 14001 international standard and is actively supporting the improvement of environmental performance at worksite level, based on the procedures and the policies adopted.

At the same time, the Group has integrated the principles of Sustainable Development into its strategy, operating under ESG conditions and monitoring indicators that record its performance on issues relating to the environment, social responsibility and corporate governance.

In 2018, the Company obtained an ISO 50001 certificate for the implementation of an Energy Management System at its headquarters and at construction sites and submitted an energy report to the Ministry of Environment and Energy in accordance with the following Legislation: Directive 2012/27 / EU, Law 4342/2015, Article 48 of Law No. 4409/2016 (Government Gazette A '136), Decision No 175275 / 22.05.2018 of the Minister of the Environment and Energy (Government Gazette B 1927 / 30.05.2018) 97536/326 / 28.12.2018 Decision of the Minister and the Deputy Minister of the Environment and Energy (Government Gazette B 6136 / 31.12.2018).

In addition, the Company in 2019 obtained an ISO 37001 certificate for the Implementation of a Management System against Corruption, and implemented systems which were certified as follows: ISO 27001: 2013 for Information Security Management, ISO 39001 for Road Safety Management, and ISO 22301 for Business Continuity Management.

In 2023, the Company calculated its carbon footprint (for 2022) according to ISO 14064-1 standard, which was verified by external certified institution and recorded through the special platform of Greece's Environment Ministry, as per the national climate legislation (Law 4936/2022).

**F. Financial and Non-Financial Basic Performance Indicators**

**1. Basic Group Financial Figures**

The basic consolidated financial figures of the Group from continuing operations in fiscal 2023 and the preceding four-year period are as follows:

| *amounts in € '000* | **2023** | **2022** |
|---|---:|---:|
| Turnover | 453,547 | 402,709 |
| *y-o-y change* | *12.6%* | |
| Gross Results | 36,776 | 20,872 |

| | | |
|---|---|---|
| *y-o-y change* | *76.2%* | |
| Income from participations | 32,445 | 47,439 |
| *y-o-y change* | *(31.6%)* | |
| Profit / (Loss) pre tax | 16,687 | 18,543 |
| *y-o-y change* | *(10.0%)* | |
| Taxes | (6,661) | (5,627) |
| *y-o-y change* | *18.4%* | |
| Net Profit / (Loss) after tax | 10,026 | 12,916 |
| *y-o-y change* | *(22.4%)* | |

The performance of the Group on a consolidated basis from continuing operations in fiscal 2023 and the comparative year is defined according to the following ratios:

| | **2023** | **2022** | **Explanation** |
|---|---|---|---|
| ***Financial Structure Indicators*** | | | |
| Current Assets / Total Assets | 52.8% | 49.0% | Allocation of Assets |
| Current Assets / Short-term Liabilities | 126.7% | 137.9% | Liquidity ratio |
| Short- and Long-term Liabilities / Total Liabilities | 86.7% | 85.6% | Allocation of Liabilities |
| Fixed Assets / Total Assets | 41.7% | 43.1% | Allocation of Assets |
| Shareholder Funds / Fixed Assets | 31.8% | 33.4% | Funding of fixed assets by shareholder funds |
| Shareholder Funds / Short- and Long-term Liabilities | 15.3% | 16.8% | Capital Leverage |
| Shareholder Funds / Total Liabilities | 13.3% | 14.4% | Allocation of Liabilities |
| ***Financial Performance Indicators*** | | | |
| Gross Result / Turnover | 8.1% | 5.2% | Gross profit margin |
| Income from Participations & Securities / Turnover | 8.6% | 13.4% | Contribution of Participations to Turnover |
| Pre-tax results / Turnover | 3.7% | 4.6% | Pretax profit margin |
| Pre-tax results / Shareholder Funds | 10.4% | 12.0% | Return on Equity |

**2. Financial Results 2023**

Consolidated turnover from continuing operations grew to €453.5 million in 2023 versus €402.7 million in 2022. The relatively low volume of turnover in 2023, despite the high stock of work-in-hand, is due to continuing delays in the start of new projects awarded to the Group since the end of 2022. Those delays are gradually being overcome and the new projects are already moving into execution phase offering improved profit margins.

The gross profit of consolidated results from continuing operations amounted to €30.8 million in 2023 compared to €20.9 million in 2022, with the related profit margin reaching 8.1% versus 5.2% in 2022. The rise in gross profitability is due to overall improvement in the performance of the construction business segment. Its should be noted that the construction EBITDA margin widened to 6.2% in 2023 from 4.7% in 2022, a trend which is expected to continue as the mix of projects under construction is shifting and their execution pace is picking up.

Group results in 2023 were burdened by extraordinary, non-operating charges due to write-off of doubtful receivables amounting to €5.1 million, while the comparable charge in 2022 was €6.5 million.

The net after tax result of the Group from continuing operations in 2023 was a €10.0 million profit versus a €12.9 million profit in 2022, when capital gains from the sale of participations were added.

The EBITDA result, ie earnings before taxes, financial expenses, investment results and depreciation, from continuing operations of the Group turned in a €60.8 million profit in 2023, up from €58.2 million in the previous year.

Net financial cost for the Group from continuing operations, which includes interest-related income and expenses as well as interest income from subordinated loans, was broadly unchanged at €20.8 million in 2023 compared to €20.7 million in 2022, as the reduction in overall debt of the Group was offset by the rise in lending interest rates.

Total debt for the Group, including equipment leasing from banks, fell €34.2 million in 2023, reaching €297.9 million on 31.12.2023 versus €332.2 million at end-2022. Net bank debt and equipment leasing for the Group dropped €24.6 million in 2023 to €221.0 million on 31.12.2023, relative to €245.5 million at the end of 2022.

Short-term debt and equipment leasing from banks of the Group eased €7.4 million in 2023, amounting to €79.1 million. It should be noted that needs for working capital and LCs for the projects, along with equipment leasing, is an ongoing process for any project added. The Group’s long-term liabilities from bond loans and equipment leasing from banks were substantially reduced by €26.8 million during 2023, amounting to €218.8 million on 31.12.2023, in line with the agreed cash flow schedule.

At Company level, total debt and equipment leasing from banks amounted to €294.8 million on 31.12.2023, down from €327.1 million at the end of 2022. The parent Company's net bank debt and equipment leasing fell during 2023 to €223.1 million from €245.0 million at the end of 2022.

Group equity at the end of 2023 amounted to €159.7 million compared to €154.9 million at the end of 2022, as the dividend distributed to shareholders for the year 2022 was deducted from the profit for the period.

The Group's operating cash flow from continuing operations was positive by €61.3 million in 2023, due to the profitable result of the period as well as the favorable movement in the balance sheet items that make up working capital.

Group investing cash flow from continuing operations in 2023 was positive by €24.8 million, allowing the Group to continue repaying loans and leasing liabilities totaling €66.0 million during 2023.

Management places particular emphasis on careful management of cash planning, but at the same time investments are constantly made mainly in concession projects, while significant working capital is required for the start of new projects. The reduction of bank debt is a priority for Group management, making use of part of the proceeds from the sale of non-core assets and holdings, as well as dividends from its concession participations. It should be noted that the Group's total debt in the last couple of years has been reduced from €557.1 million at the end of 2020 to €259.4 million at end-2023.

According to the parent company and consolidated financial results for the year 2023, the Company covers the financial ratios of liquidity, capital adequacy and profitability included in the contracts signed with Greek banks for the issuance of syndicated bond loans.

On 31.12.2023, the Group classified in its balance sheet a group of assets held for disposal, as per IFRS 5, the equity value of which was €23.4 million as opposed to €22.6 million at the end of 2022.

Among the main items of current assets in the balance sheet, during 2023 receivables from clients registered a drop while receivables from construction contracts recorded a substantial increase due to the addition and start of new projects of large value, still at an early stage of completion.

The value of the Group's participations in concessions and PPPs increased during 2023, reaching €311.5 million at the end of the year compared to €295.5 million in 2022, mainly due to the addition of the new PPP project in Salonica (Flyover Highway). For the purpose of providing detailed information, it should be noted that the valuation of investments in concessions in the non-consolidated accounts of the Company is recorded at their fair value, as per independent appraisal reports. In consolidated Group accounts, these investments are consolidated using the equity method, except for participations below 20% (Moreas Motorway and Olympia Motorway, which are also recorded in the consolidated balance sheet at their fair values). As a result, at the end of 2023, a fair value of €129 million, corresponding to the difference between the fair value of consolidated concessions and their equity value, is not recorded in the consolidated accounts because participations (except those two mentioned above) are consolidated using the equity method.

The Group's financial results for 2023 and the comparable year 2022 are broken down by business segment as follows:

| 01.01 – 31.12.2023<br><br>*amounts in € '000* | Construction | Concessions | Energy | Other Activities | Total [continuing operations] | *Discontinued Operations* |
|---|---|---|---|---|---|---|
| Net Sales | 427,803 | 4,017 | 75 | 21,652 | 453,547 | *183,042* |
| Gross Profit | 31,579 | 563 | (11) | 4,645 | 36,776 | *7,044* |
| Operating Profit | 5,872 | 29,147 | (418) | 2,912 | 37,513 | *(66)* |
| Financial Results | | | | | (20,827) | *444* |
| Pre-Tax Profit / (Loss) | | | | | 16,687 | *378* |
| Tax | | | | | (6,661) | *4* |
| Net Profit / (Loss) | | | | | 10,026 | *382* |
| Depreciation | 15,739 | 1,474 | 19 | 953 | 18,185 | *129* |
| EBITDA | 26,677 | 30,621 | (399) | 3,865 | 60,764 | *1,838* |

| 01.01 – 31.12.2022<br><br>*amounts in € '000* | Construction | Concessions | Energy | Other Activities | Total [continuing operations] | *Discontinued Operations* |
|---|---|---|---|---|---|---|
| Net Sales | 375,438 | 4,789 | 0 | 22,482 | 402,709 | *394,240* |
| Gross Profit | 15,526 | 1,668 | 0 | 3,678 | 20,872 | *12,490* |
| Operating Profit | 982 | 37,339 | 0 | 967 | 39,287 | *26,526* |
| Financial Results | | | | | (20,744) | *1,265* |
| Pre-Tax Profit / (Loss) | | | | | 18,543 | *27,791* |
| Tax | | | | | (5,627) | *(824)* |
| Net Profit / (Loss) | | | | | 12,916 | *26,966* |
| Depreciation | 10,057 | 1,378 | 0 | 969 | 12,404 | *157* |
| EBITDA | 17,576 | 38,717 | 0 | 1,935 | 58,228 | *27,655* |

The Group's financial results for 2023 and the comparable year 2022 are broken down by geographic region as follows:

| 01.01 – 31.12.2023<br><br>*amounts in € '000* | Greece | International Markets | Total [continuing operations] | *Discontinued Operations* |
|---|---|---|---|---|
| Net Sales | 401,091 | 52,455 | 453,547 | *183,042* |
| Gross Profit | 64,734 | (27,958) | 36,776 | *7,044* |
| Operating Profit | 69,371 | (31,857) | 37,513 | *(66)* |
| Financial Results | (19,760) | (1,067) | (20,827) | *444* |
| Pre-Tax Profit / (Loss) | 49,611 | (32,924) | 16,687 | *378* |

| | | | | |
|---|---|---|---|---|
| Tax | (6,995) | 335 | (6,661) | *4* |
| Net Profit / (Loss) | 42,616 | (32,589) | 10,026 | *382* |
| Depreciation | 16,276 | 1,909 | 18,185 | *129* |
| EBITDA | 87,915 | (27,151) | 60,764 | *1,838* |

| **01.01 – 31.12.2022** *amounts in € '000* | **Greece** | **International Markets** | **Total [continuing operations]** | ***Discontinued Operations*** |
|---|---|---|---|---|
| Net Sales | 267,562 | 135,147 | 402,709 | *394,240* |
| Gross Profit | 64,574 | (43,703) | 20,872 | *12,490* |
| Operating Profit | 91,971 | (52,684) | 39,287 | *26,526* |
| Financial Results | (20,104) | (640) | (20,744) | *1,265* |
| Pre-Tax Profit / (Loss) | 71,867 | (53,324) | 18,543 | *27,791* |
| Tax | (2,598) | (3,029) | (5,627) | *(824)* |
| Net Profit / (Loss) | 69,269 | (56,352) | 12,916 | *26,966* |
| Depreciation | 10,017 | 2,387 | 12,404 | *157* |
| EBITDA | 103,137 | (44,909) | 58,228 | *27,655* |

At parent company level, turnover in 2023 increased compared to the previous year. Turnover reached €405.2 million in 2023 versus €361.4 million in 2022. Gross profit amounted to €28.7 million in 2023 from €15.4 million a year earlier, with the cost of sales reaching €376.5 million in 2023 versus €346.0 million in 2022. Despite the broader pressure on the cost of sales due to the significant price inflation in building materials, equipment, fuel and freight cost which started in 2021, the gross profit margin of the Company improved to 7.1% in 2023 from 4.3% in 2022.

Income from participations for the parent Company increased in 2023, reaching €28.1 million versus €57.3 million in 2022, due to the receipt of reduced dividends from concessions for the previous year.

Earnings before interest, tax and amortization for the parent company recorded a €53.3 million profit in 2023 versus €89.3 million a year earlier.

**3. Activity per business segment**

*Construction*

The Group's construction sector recorded increased activity in 2023, despite the continuing delays in the start of new projects awarded to the Group since the end of 2022. Those delays are gradually being overcome and the new projects are already moving into execution phase offering improved profit margins.

*Energy & Industrial (Power Plants & LNG)*

During 2023 the Group delivered or reached a very advanced stage of completion in some large energy & industrial projects, such as the EPC-based exhaust gas desulphurization system for the 375MWe Lignite-fired Unit V of the Aghios Dimitrios power plant in Northern Greece. It also signed a contract for an EPC 1,750MW power plant in Romania, while also bidding for several similar projects, mainly in international markets where the demand for design & construction by specialised manufacturers is very high. Recent developments in the energy market and the pressing need of western economies to reduce their dependence on Russian natural gas imports is expected to give a significant boost to the construction of LNG terminals and storage facilities, and even more natural gas pipelines.

*Concessions*

The Group’s financial statements include small amounts of revenue from the concessions and PPPs in which it participates, because it does not fully consolidate them, except for the Athens Marina. The Group's 2023 results include the share of profits from related companies for its participation in concessions and PPPs, such as the Athens Ring Road, the Aegean Highway, the Olympia Highway, the Moreas Highway, etc.

Traffic volumes on the country's motorway network have 2019 levels, used as a benchmark for the pre-covid-19 period. It should be noted that the concessionaire companies, whose financial results were negatively affected by the traffic ban measures, have received compensation for foregone revenue in accordance with the provisions of the relevant concession contracts, with the exception of Athens Ring Road, for which the compensation process is still pending.

Especially on the Athens Ring Road, toll crossings in 2023 were up by 9.9% compared to 2019 and 9.5% compared to 2022. Average daily traffic on the Athens Ring Road in 2023 amounted to approximately 259 thousand vehicles, compared to approximately 237 thousand in 2022 and 236 thousand in 2019. During the first quarter of 2024, average traffic volume in the Athens Ring Road is up around 14.3% relative to the comparative period of reference year 2019, and 5.1% higher than the year-earlier first quarter.

*Real Estate*

The Group is active in real estate development through subsidiary AVAX Development SA, focusing on the residential sector, where it has a significant portfolio of projects to showcase consisting of high-end townhouses and holiday complexes in popular tourist destinations. In the commercial sector, AVAX Development invests in prominent projects of offices and other commercial uses.

The company is developing three complexes of vacation homes in the Prefecture of Chania and is in the licensing stage for further residential developments in the same area, as well as in other tourist destinations. AVAX Development also participates in 3V SA which owns a land plot in Neo Faliro, Piraeus on which a mixed-use project development is planned. The company also has a property portfolio abroad (Romania, Poland) which it plans to develop in the long term.

*Facility Management*

The Group is active in facility management with success through its subsidiary Task J&P-AVAX SA, which boasts a good clientele base in the private and the public sector. The company offers a wide range of services for managing and maintaining business installations, corporate offices and buildings. The outlook is positive because the targeting of the client base reduces doubtful receivables and is based on long-term contracts and relations with clients.

**G. Alternative Performance Measures**

This Financial Report features some «Alternative Performance Measures», based on the ESMA Guidelines on Alternative Performance Measures dated 05.10.2015), besides the International Financial Reporting Standards which derive from the Group's financial statements. APMs are not a substitute for other financial figures and financial indicators of the Group which are calculated according to IFRS, rather they serve the purpose to allow the investment public to get a better understanding of the Group's financial performance.

APMs aim to enhance transparency and promote the usefulness and fair and complete information of the investing public, by providing substantial additional information, excluding elements that may differ from operating results or cash flows.

The APMs used in the Group's Annual Financial Reports are as follows:

**1. Earnings before interest, tax, depreciation and amortization (EBITDA)**

| *amounts in € '000* | **GROUP** | | **COMPANY** | |
|---|---|---|---|---|
| | **2023** | **2022** | **2023** | **2022** |
| Pre-tax Earnings, from continuing operations (A) | 16,687 | 18,543 | 15,504 | 55,975 |
| Financial Results, from continuing operations (B) | (20,827) | (20,744) | (18,780) | (18,648) |
| Provisions / Write-Offs (C) | (5,065) | (6,537) | (5,065) | (6,537) |
| Depreciation, from continuing operations (D) | 18,185 | 12,404 | 13,923 | 8,129 |
| **EBITDA, from continuing operations (A - B - C + D)** | **60,764** | **58,228** | **53,273** | **89,289** |

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) are defined and calculated according to Circular #34 of the Capital Markets Commission, as follows: Earnings before tax, financial and investment results and total depreciation (EBITDA) = Profit / (Loss) pretax earnings +/- financial and investment results + Total Depreciation (of tangible and intangible assets). EBITDA is widely used by financial analysts and banks to evaluate the capacity of corporations to service their debt out of generated cash flow.

The following table illustrates the breakdown of Group EBITDA in continuing and discontinued operations:

| *ποσά σε € '000* | 2023 | | | 2022 | | |
|---|---|---|---|---|---|---|
| | Continuing operations | Discontinued operations | Total | Continuing operations | Discontinued operation | Total |
| Pre-tax Earnings (A) | 16,687 | 378 | 17,065 | 18,543 | 27,791 | 46,334 |
| Financial Results (B) | (20,827) | 444 | (20,383) | (20,744) | 1,265 | (19,480) |
| Provisions / Write-Offs (C) | (5,065) | (1,775) | (6,840) | (6,537) | (972) | (7,509) |
| Depreciation (D) | 18,185 | 129 | 18,314 | 12,404 | 157 | 12,561 |
| **EBITDA (A - B - C + D)** | **60,764** | **1,838** | **62,602** | **58,228** | **27,655** | **85,883** |

It should be noted that there are no discontinued operations at parent company level.

**2. Capital Leverage Ratio**

| *amounts in € '000* | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **2023** | **2022** | **2023** | **2022** |
| Net Bank Debt, excluding project financing and non-bank leasing IFRS 16 (A) | 220,962 | 245,528 | 231,471 | 245,041 |
| Shareholder Funds (B) | 159,722 | 154,910 | 307,578 | 295,531 |
| **Capital Leverage [ A / B ]** | **1.38** | **1.58** | **0.75** | **0.83** |

The capital leverage ratio is calculated as the ratio of the total of Short-term and Long-term loans at year-end to Total Shareholder Funds at year-end. This ratio examines the relationship between loans and own equity to assess whether the business is adequately capitalized or exhibits excessive exposure to bank loans and borrowed capital. Net bank debt calculations exclude non-bank leasing to offer a more realistic view of Group liabilities for its continuing operations.

**3. Net Financial Liabilities (Net Debt)**

| *amounts in € '000* | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **2023** | **2022** | **2023** | **2022** |
| Bond Loans | (197,027) | (228,278) | (195,021) | (228,278) |
| Other Long-Term Loans | 0 | (650) | 0 | (650) |
| Long-term Loans – due in next 12months | (34,540) | (47,436) | (34,233) | (47,436) |
| Leasing | (91,852) | (75,782) | (61,507) | (46,500) |
| Short-term Loans | (27,863) | (30,685) | (27,058) | (25,642) |
| Total Debt (A) | (351,282) | (382,831) | (317,819) | (348,506) |
| Cash & Restricted Deposits, from continuing operations (B) | 76,945 | 86,626 | 71,672 | 82,049 |

| | | | | |
|---|---|---|---|---|
| **Net Financial Liabilities (Net Debt), from continuing operations (A + B)** | **(274,337)** | **(296,205)** | **(246,148)** | **(266,457)** |

Net Financial Liabilities (Net Debt) are calculated by subtracting Cash & Restricted Deposits from the total of Short-term and Long-term Loans and Leasing. As a performance indicator, net debt gives an immediate view of the capacity of a business to repay all or part of its debt making use of its cash and equivalent and restricted deposits.

**4. Free Cash Flow**

| *amounts in € '000* | **GROUP** | | **COMPANY** | |
|---|---|---|---|---|
| | **2023** | **2022** | **2023** | **2022** |
| Operating Cash Flow, from continuing operations (A) | 61,320 | 13,056 | 39,321 | 85,164 |
| Net Investment Cash Flow, from continuing operations (B) | 24,826 | 104,368 | 40,975 | 41,010 |
| **Free Cash Flow, from continuing operations (A + B)** | **86,146** | **117,424** | **80,296** | **126,174** |

Free Cash Flow is calculated by adding Operating and Net Investment Cash Flow, providing an indication of the cash generated by a business due to its operation after paying for investments in assets. Positive free cash flow allows for financing of new activities to expand the business and repay debt, while a free cash outflow must be matched by new equity injected by shareholders or borrowing from the banking system.

**5. Interest Coverage Ratio**

| *amounts in € '000* | **GROUP** | | **COMPANY** | |
|---|---|---|---|---|
| | **2023** | **2022** | **2023** | **2022** |
| EBITDA (A) | 60,764 | 58,228 | 53,273 | 89,289 |
| Net Financial Cost<br>[interest expenses/income + interest from subordinated loans] (B) | 20,827 | 20,744 | 18,780 | 18,648 |
| **Interest Coverage Ratio ( A / B )** | **2.92** | **2.81** | **2.84** | **4.79** |

The interest coverage ratio reflects the capacity of the Company to meet the current cost of servicing its debt through the production of operating profitability.

**H. Expectations & Prospects for 2024**

The Greek economy continued to grow vibrantly in 2023, despite the unfavorable global macroeconomic environment mix of rising interest rates in the main currencies and stagnant inflation in the strongest economies. The invasion of Ukraine exacerbates the need for our country's energy independence from Russian hydrocarbons, burdening the growth rate and putting pressure on Greece's fiscal potential. New inflationary pressures on the cost of transporting goods are expected to arise due to the war conflicts in the Middle East and mainly due to riskier navigation of commercial ships through the Red Sea and the Suez Canal.

According to the official baseline assumptions for Greece's main macroeconomic data in the period 2023-2026, inflation is projected to ease to 3% in 2024 and even lower in the following years, while the real growth rate is expected to fluctuate between 2.3% and 2.5% by 2026. The General Government deficit will continue to decline to 1.1% of GDP in 2024 from 2.2% in 2023, with the public debt-to-GDP ratio also falling considerably to 137.8% in 2026.

In particular, as far as the AVAX Group is concerned, significant improvement in financial performance is expected in 2024, with continuing growth in construction activity and the overall result, given the growing project backlog and the superior profitability characteristics of contracts added in the last two years. The Group continues to actively participate in tenders for public, private and PPP projects in Greece, as well as highly specialised energy projects abroad. Having distributed dividend in 2023 for the year 2022, it is the view of Group management that positive prospects for rewarding shareholders are now opening due to the sustainable recovery of financial results for several years to come.

**I. Important Developments & Events past the Balance Sheet Date (31.12.2023) and up to the date of approval of this Report**

*Issue of 4,000,000 new shares and bonus distribution*

Following a decision by shareholders at the Annual General Meeting on 24.06.2021, the Company in December 2023 issued 4,000,000 new common registered shares with a par value of €0.30 each, capitalising an amount of €1,200,000 of the share premium reserve, which was approved by decision #3176854/14.12.2023 of the Development Ministry. The new shares were distributed as a bonus to a total of 52 senior managers, other staff members and business associates, as per article 114 of Law 4548/2018, and were listed on the Athens Stock Exchange in January 2024. Out of the total of 4,000,000 new shares distributed to 52 individuals, the Company's five executive Board members were allocated an aggregate amount of 1,150,000 shares.

*New Projects*

The Company was officially declared provisional winner at the auction which took place in December 2023 for the road section Ioannina-Kakavia, worth €234 million for the main project with a €76 million option for additional works.

*Sale of Volterra SA*

The Competition Commission approved, as per the EU's Merger Regulation, the transfer of 100% subsidiary Volterra SA to Mytilineos Group. The relevant PPA was signed in August 2023.

*Salonica Flyover PPP*

Construction works towards the PPP-based Salonica Flyover were temporarily halted due to petitions filed on environmental grounds. The petitions were dismissed by the State Council on 24.04.2024. Construction works proceed normally.

*International Arbitration for claim against the Government of Lebanon*

The International Center for Settlement of Investment Disputes (ICSID), to which the Company has appealed since 2016 regarding a €370.6 million compensation claim from the Government of Lebanon for the signed contract for the construction of the Deir Aamar thermal power plant (Phase II), near Tripoli in Lebanon, announced on 11.04.2024 the conclusion of the arbitration process, the final ruling pending to be announced. In the financial data of the Group, the assessment of recoverability by the Management was initially limited only to the invoiced part of the claim, ie €51.8 million, and has been gradually reduced to €14.8 million on 31.12.2023.

**J. Non-Financial Information**

The non-financial information of AVAX SA (the "Company") is accompanied by the corresponding alignment tables and provides detailed information regarding the non-financial activities and performances as required by Law 4548/2018, which concerns the amendment of the law on anonymous companies. Specifically, it describes in detail elements concerning the evolution, performance, trajectory, as well as the overall impact of the Company actions, regarding the following issues:

Identification and management of risks related to non-financial issues
Environmental issues
Social issues
Corporate Governance issues

**Business Model and Strategy**

**Business Model**

The business model upon which the Company relies primarily focuses on achieving its corporate goals and generating added value for all its stakeholders. Among other things, the Company operates taking seriously into account its customers, employees, suppliers, government structures, shareholders, financial institutions, investors, and local communities.

The Company commitment to the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development reflects its real dedication to building a sustainable future. Through the Company actions in all processes, the goal is to reduce environmental impacts and promote a society that respects and protects its natural environment.

In the business model, the inflows and outflows of revenue and costs are closely monitored, shaping the final results of use that reflect the sustainability of the Company.

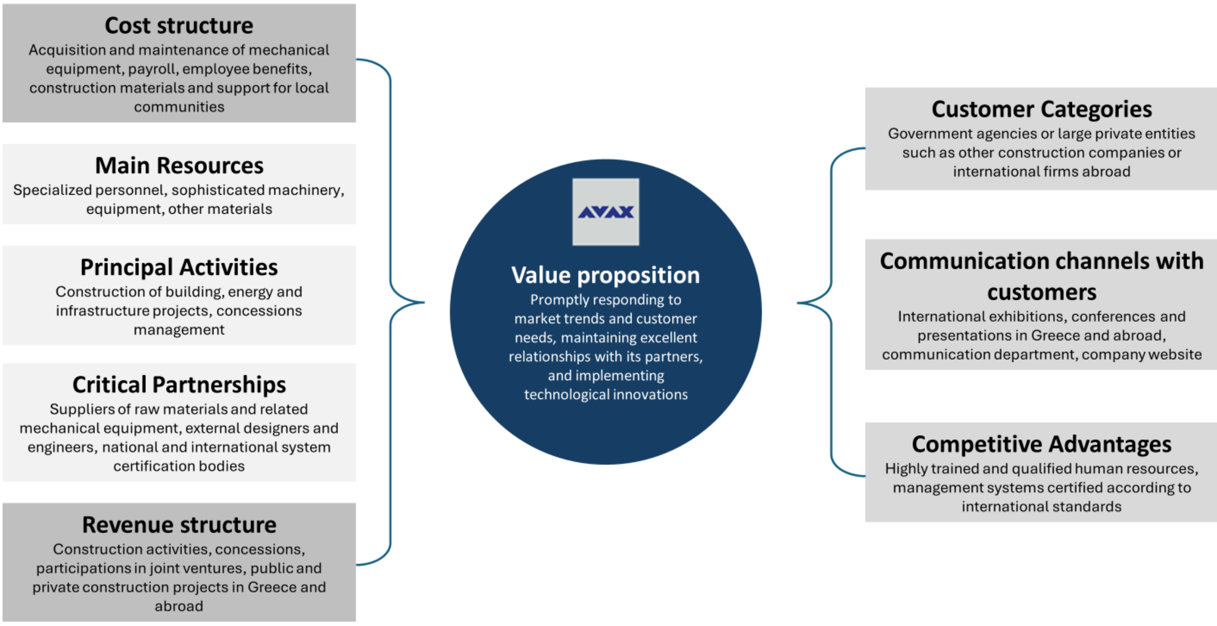



*Chart 1: Business model of AVAX*

**Strategy**

The main activities of the Company involve the implementation of construction projects of high standards and specialization, as well as the management of concession and PPP projects, both in the domestic market and in foreign countries. With an understanding of the major environmental and social issues dominating today's global political agenda, within the framework of its role and responsibility, the Company strives to shape the appropriate organizational culture that will serve the fundamental principles of sustainable development, corporate governance, and responsible operation. Its strategy, vision, and principles are aligned with the widely accepted triple-bottom-line philosophy of sustainable development (economic growth, environmental protection, and social justice), as well as the goals of sustainable development (17 SDGs) as dictated by the United Nations' 2030 Agenda.

In this context, the Company places at the core of its economic planning the issues of environmental protection and respect for human rights. Through this approach, the Company expands its mission beyond the narrow confines of meeting the demands of shareholders, while also seeking to create value for a broader group of social partners who are affected by and affect the Company operations. The values and strategic objectives that guide it are detailed in the following diagrams, highlighting the Company commitment to promoting sustainable practices and its comprehensive response to social and environmental challenges.

**Our Values**

| | |
|---|---|
| Integrity | • We demonstrate integrity, honesty, and responsibility in all our transactions. |
| Transparency | • We demonstrate sincerity, transparency, and straightforwardness in all our business relationships and transactions. |
| Reliability / Consistency | • We fulfill our promises with a sense of responsibility, fostering relationships based on understanding, professionalism, and regulatory compliance. |
| Commitment | • We are committed to fulfilling our promises to shareholders, customers, employees, and partners. |
| Respect | •We treat towards people and the environment with respect and dignity |
| Security | • We maintain a safe working environment, ensuring the protection of our employees and partners |
| Leadership | •We face new challenges and difficulties with courage, serving as a source of inspiration for our employees and partners. |
| Innovation | •We develop and implement advanced technology in our manufacturing processes with the help of specialized workers, aiming for continuous improvement and efficiency. |
| Quality | •We aim to construct projects of superior quality that endure over time. |

*Chart 2: Our Values*

Goals

The Company is committed to achieving the following global sustainable development goals:

- Contribution to Climate Change
- Emphasis on Sustainable Construction
- Contribution to the Circular Economy
- Protection of Biodiversity and Ecosystems
- Ensuring Proper Management of Environmental Resources
- Ensuring Health and Safety at Work
- Recognition as a Top Employer
- Creating Added Value for all Stakeholders

- Ensuring Good Governance and Transparency in all operations
- Attracting ESG (Environmental, Social, and Governance) Capital
- Commitment to Responsible Business Operations

**Policies and Quality Standards**

To achieve its fundamental goals and vision as dictated by the business model, the Company follows and implements international quality standards, ensuring a high level of deliverables of services and final products. Its ultimate goal is to create added value for all its stakeholders and the natural environment in which it operates, as well as to promote issues of business ethics and social responsibility. The Company disseminates these strategies throughout its supply chain and in all its activities.

With the aim of protecting the environment and respecting workers, all of the Company activities are aligned with the values of Sustainable Development and are aligned with the 17 goals of the Agenda 2030. To consistently align with these goals, the Company implements policies and procedures aimed at enhancing trust between social partners and the Company.

These actions are aligned with the new European policies for regulatory information of consumers on environmental and social issues (according to the new EU directive, New Consumer Agenda: European Commission to empower consumers to become the driver of transition Brussels, 13 November 2020, to avoid false eco-labeling – greenwashing), protecting investors from any breaches in social and environmental issues (EU Directive Taxonomy 2020/852 and the ESG Disclosure Guide of the Athens Stock Exchange).

To address the new challenges arising from the aforementioned international regulatory framework, the Company has developed specific policies and adopted internationally recognized quality standards to ensure a high degree of transparency and strengthen the trust of its social partners. Some of the main and most notable policies and standards adopted by the Company in the context of sustainable development are presented below:

*Table 1: AVAX Policies and Codes*

| A/N | Policies | Public URL |
|---|---|---|
| 1 | Code of Conduct | https://avax.gr/wp-content/uploads/2021/06/avax.code-of-business-ethics.Competition-Law-Compliance-1.pdf |
| 2 | Safety and Health Policy | https://avax.gr/wp-content/uploads/2020/07/HEALTH-SAFETY-POLICY-STATEMENT_27.05.2020.pdf |
| 3 | Environmental Policy | https://avax.gr/wp-content/uploads/2020/01/environmental-policy-statement.pdf |
| 4 | Energy Management Policy | https://avax.gr/wp-content/uploads/2020/01/energy-policy-statement.pdf |
| 5 | Quality Policy | https://avax.gr/wp-content/uploads/2020/01/quality-policy-statement.pdf |
| 6 | Anti-Bribery Policy | https://avax.gr/wp-content/uploads/2024/01/37001-ANTI-BRIBERY-POLICY-EN-scaled.jpg |
| 7 | Information Security Policy | https://avax.gr/wp- |

| | | |
|---|---|---|
| | | content/uploads/2022/09/INFORMATION-SECURITY-POLICY.pdf |
| 8 | Business Continuity Policy | https://avax.gr/wp-content/uploads/2024/01/ISO-22301-%CE%A0%CE%9F%CE%9B%CE%99%CE%A4%CE%99%CE%9A%CE%97-%CE%95%CE%A0%CE%99%CE%A7%CE%95%CE%99%CE%A1%CE%97%CE%A3%CE%99%CE%91%CE%9A%CE%97%CE%A3-%CE%A3%CE%A5%CE%9D%CE%95%CE%A7%CE%95%CE%99%CE%91%CE%A3_en.pdf |
| 9 | Road Safety Policy | https://avax.gr/wp-content/uploads/2023/07/Road-Traffic-Safety-Policy-Statement.pdf |

Additionally, regarding the assurance of due diligence issues, the Company has been certified with a series of internationally recognized standards for social and environmental quality. More specifically, the standards/systems according to which the Company has been certified are as follows:

*Table 2: Certified Management Systems*

| A/N | Certified Management Systems | Public URL |
|---|---|---|
| 1 | ISO 9001 Quality Management System | https://avax.gr/wp-content/uploads/2021/07/AVAX-9001-GR-002.pdf |
| 2 | ISO 14001 and EMAS Environmental Management Systems | https://avax.gr/wp-content/uploads/2022/11/AVAX-14001-GR.pdf |
| 3 | ISO 45001 Occupational Health and Safety Management Systems | https://avax.gr/wp-content/uploads/2022/11/AVAX-45001-GR.pdf |
| 4 | ISO 50001 Energy Management Systems | https://avax.gr/wp-content/uploads/2022/06/AVAX-50001-GR-2.pdf |
| 5 | ISO 37001 Anti-Bribery Management Systems | https://avax.gr/wp-content/uploads/2023/01/AVAX-37001-GR.pdf |
| 6 | ISO 27001 Information Security Management Systems | https://avax.gr/wp-content/uploads/2024/01/AVAX-27001-GR.pdf |
| 7 | ISO 39001 Road Traffic Safety (RTS) Management Systems | https://avax.gr/wp-content/uploads/2022/08/ISO-39001-GR.pdf |
| 8 | ISO 22301 Security and Resilience — Business Continuity Management Systems | https://avax.gr/wp-content/uploads/2024/01/ISO-22301_el-1.pdf |
| 9 | ISO 14064-1 Greenhouse Gas Emission Management System | https://avax.gr/viosimi-anaptyxi/pistopoiiseis-systimata-diacheirisis/ |

It is noted that the primary goal of the above policies and standards adopted by the Company focuses on strengthening its ties with its social partners and aligning its operations with its existing successful business model, which brings about significant economic and social impact and lays a solid foundation for future economic growth and prosperity. The strong management reflexes on economic issues, continuous investment, respect for human resources, protection of the natural environment, and care for society have created the appropriate conditions for the responsible development of the Company.

**Identification and Analysis of Material Issues**

The Company considers the determination of factors related to its ability to create value as the main criterion for assessing its sustainability footprint. These factors constitute the material issues for the organization and stakeholders. Therefore, "Material" issues of Sustainable Development are identified as issues that reflect the significant impacts of the Company actions on environmental, social, and economic levels, while also being the most important issues taken into account in decision-making and evaluation of the Company actions in terms of social responsibility and sustainable development. The present Economic Report presents the steps taken by the Company to conduct the Materiality analysis to be included in the Sustainable Development Report for the year 2023.

The process of assessing and prioritizing Material Issues for the Company is based on the set of relevant guidelines of the European Union (2013/34/EU, 2019/C 209/01) for the disclosure of non-financial information, as well as the Global Reporting Initiative (GRI Standards), and the sectoral categorization and evaluation of the Sustainability Accounting Standards Board (SASB) framework.

The Company has implemented a comprehensive Materiality analysis, evaluating its impacts from a dual perspective: social and environmental on one hand, and financial on the other. Within the framework of Impact Materiality, the main objective was to identify and assess actual or potential impacts - positive or negative - of the company's activities on society and the environment. The results of this assessment demonstrate impacts that may occur at short-term, medium-term, or long-term levels, directly connected to the company's operations, value chain, and business relationships. On the other hand, Financial Materiality focuses on identifying financial impacts arising from environmental, social, and governance (ESG) issues, including both risks and opportunities.

The distinction between Internal and External Stakeholders allows for a full understanding of the impact of material issues, both on the company's financial performance and on the broader society and environment. Stakeholders belong either to the company's internal environment (shareholders, employees) or the external environment (regulatory authorities, SMEs, suppliers, partners, customers, central government, academic community). The Company has developed communication channels with stakeholders to identify their concerns, record significant issues, and evaluate their views and needs, while simultaneously developing actions to respond to these needs.

Through this process, the company ensures a comprehensive and transparent approach to identifying and managing key material issues, while meeting the expectations of stakeholders.

The procedure followed for the Materiality analysis is shown in the diagram below:


*Chart 3: Materiality analysis steps*

**Recognition of Risks Related to Non-Financial Issues**

The Company aims for the most effective management of non-financial risks, seeking to further develop its commitment to social responsibility in all areas of its operations. Through awareness and active addressing of environmental risks, as well as risks concerning corporate reputation and quality management, the Company seeks to strengthen its position in the market and enhance trust from customers, investors, and the broader society.

**1. Risks related to the physical impacts of climate change and the transition to a low-carbon economy**

Environmental pressure from climate change is driving social and political responses, but it also shapes a high degree of uncertainty regarding the regulatory framework for environmental protection, which is rapidly changing. This inevitably impacts the activities of the Company, which operates in the Greek and international economy and is therefore directly affected by both national and global regulatory developments.

The European Union's guidelines on disclosing information distinguish between risks arising from climate change, those related to the transition to a low-carbon economy, and those associated with the physical impacts of climate change.

A common definition of net zero carbon emissions is a significant part of the entire construction industry's journey towards the goals of the Paris Agreement. We know from experience that collaboration is key to developing and implementing sustainable solutions to continue reducing carbon emissions. In this way, we transfer knowledge to lead ourselves, our customers, and partners towards a clean future. To achieve the goals of the Paris Agreement, emissions from the built environment must be halved by 2030. To achieve this, the shift towards energy-efficient solutions, the development of "green" infrastructure, and generally policies in this direction are gradually being considered and incorporated into the Company business model.

According to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), scenario analysis based on climate is increasingly a priority for identifying and addressing potential business risks and opportunities related to both the transition to a low-carbon economy and the physical consequences of climate change.

Climate change is and will be a key determinant for businesses in the coming decades. Addressing climate change involves scaling up innovative solutions in energy, increased efficiency, materials, and much more. It is also evident that many buildings and public spaces were not designed for the kinds of environmental challenges we are experiencing, such as extreme weather events, atmospheric pollution, energy shortages, and drought. National and European legislation and regulations are increasingly aligned with this goal, encouraging a green transition in construction. The climate agenda creates business opportunities that allow us to contribute to climate adaptation and mitigation.

Improving circularity is a gradual process that requires new ways of working and testing new solutions. We collaborate closely with suppliers for circular and low-carbon solutions and encourage them to provide carbon information, such as Environmental Product Declarations (EPDs) for their products, to enable accurate emissions calculations. Reusing structural materials also reduces carbon emissions and helps us achieve our goals.

The Group's Management, within the realm of feasibility, monitors, evaluates, and responds to the above risks to mitigate any negative impacts on the Company financials and operations, while also taking appropriate measures and necessary safeguards to actively participate in the broader effort to reduce the environmental impact of the Company activities.

**2. Risks related to safety and health**

Ensuring safety and health in the workplace is one of the fundamental pillars for protecting employees and preventing occupational accidents and injuries. Due to the nature of its business activities, the Company sectors are subject to occupational safety and health risks such as minor accidents, accidents resulting in loss of work time, occupational diseases, and injuries.

The construction sector is associated with unwanted incidents and health problems that may arise if risk factors are not properly addressed. With clear direction, dedicated leadership, and high standards, we build strong foundations for safe work. Our goal is to create safe and healthy workspaces where everyone thrives and can fully utilize their potential.

With this in mind, ensuring a safe and healthy working environment in all workplaces is a priority for the Company and its commitment to all its employees. This commitment, combined with full compliance with Greek legislation, has led to the adoption of the international standard ISO 45001:2018, which significantly minimizes the risks affecting the safety and health of employees and prevents accidents.

As a result of the above, the Company has adopted a Health and Safety Management System (HSMS). Based on this system, a safety technician visits and inspects the Company facilities, ensures necessary safety measures, and provides training and relevant guidance to all employees. It is worth noting that the company leverages the latest technologies, incorporating safety management policies and procedures to keep employees informed in real-time about the conditions of the respective workspace and broader safety rules.

Additionally, the Company approach to safety and health in the workplace focuses on both active involvement and training of employees, emphasizing the importance of their awareness and participation in safety management. The Company adopts a systematic approach to monitoring and evaluating performance in the field of safety and health and is committed to conducting systematic educational programs and informational seminars. These initiatives aim to strengthen awareness of safety and cultivate a culture that promotes preventive care and protection within the work environment.

**3. Risks related to Regulatory Compliance**

The challenges of sustainable development constitute a significant and multi-dimensional issue for modern businesses, requiring the integration of regulatory compliance at environmental, social, and corporate levels. This necessitates ensuring that corporate activities meet legal requirements and expectations for responsible business behavior in all areas of their operations.

In this regard, the Company demonstrates full commitment to its smooth and harmonious operation, faithfully following and respecting applicable legislation and principles of action in every local community or country where it operates. This stance is reflected in the strict adherence to the rules and provisions of the Code of Professional Ethics it has adopted. With this approach, the Company emphasizes the value it places on ethics and integrity in the way it conducts its business activities, thereby enhancing its trust and reputation in the markets where it operates.

Taking into account regulatory risks and their subsequent impacts, the Company unequivocally complies with all compliance requirements with regulations while simultaneously adhering to the necessary procedures and steps in case of the company's failure to harmonize with regulatory frameworks, while also preserving its corporate reputation and integrity.

**4. Geopolitical Risks**

The Eastern Mediterranean region, the Middle East, and North Africa entail a high degree of geopolitical risk due to ongoing tensions from conflicts and political unrest. These tensions stem from the collapse of political regimes, the emergence of new, fanatic religious groups, and disputes over the control of natural resources such as oil and natural gas.

Taking into account this geopolitical reality, the company has oriented its international business activities towards countries within Europe, which have a lower level of geopolitical risk. In this way, it seeks to minimize its exposure to such risks and ensure a stable and secure international business trajectory.

**5. Corporate Reputation Risks**

The activities of the Company are associated with environmental risks such as air and water pollution, greenhouse gas emissions, and climate change. Increased scrutiny by stakeholders is already a reality and may continue to increase. Companies may see their commercial brands and reputation destroyed if they appear to be delaying the transition to a low-carbon economy. This is particularly important for construction and development, as the built environment contributes significantly to global emissions.

Taking into account the conditions created by the transition process, the Company has adopted a series of internationally recognized standards for protecting the natural environment (ISO 14001) and ensuring the safety and health of workers (ISO 45001) in the workplace, certified by independent organizations. Additionally, the Company has established a series of policies, values, and principles for protecting the natural environment (such as Environmental Policy, Energy Management Policy), avoiding bribery (Anti-corruption and Bribery Policy), and addressing violence and harassment in the workplace (Violence and Harassment Policy). The purpose of these policies and best practices is to establish and consolidate a reliable and systematic way of operating the Company that ensures its good corporate reputation.

**Axis E - Environmental Issues**

The Company recognizes the critical importance of protecting the natural environment and is committed to continuously improving its environmental performance, seeking a harmonious compliance with national and European environmental legislation. The company's business activities are conducted with absolute respect for the environment, treating environmental responsibility as a fundamental element of its philosophy. The Company adopts a long-term approach, focusing on ensuring the availability of natural resources not only for current needs but also for the requirements of future generations, reaffirming its dedication to sustainable development and ecological responsibility.

The goal of the Company is the continuous improvement and enhancement of its environmental indicators. It constantly invests in technology, infrastructure, and the adoption of best available practices. The Company is committed to continuously improving its environmental indicators, with the ultimate goal and vision of achieving environmental and climate neutrality in the coming years.

Minimizing the negative impacts of the Company activities is crucial for the company's sustainability, as it fully understands the impact its activities can have on the environment. Adopting the principles of the circular economy significantly contributes to reducing waste and pollution while promoting the efficient use of resources. Furthermore, the protection of biodiversity is essential for the long-term preservation of ecosystems. Preserving water resources is also critical for ensuring access to clean water for human consumption and the harmonious functioning of ecosystems. Finally, reducing greenhouse gas emissions is necessary to limit the impacts of climate change.

**Energy & Gas Emissions**

The Company has established and implemented specific programs and procedures based on its Environmental Management System, while also taking measures to continuously monitor energy consumption and adopt high-energy-efficiency technologies in its facilities. Based on this commitment, the company has developed an Energy Management Policy and implements a certified Energy Management System, according to the international standard ISO 50001:2018.

Through the Energy Management Policy, the company is committed to:

- Achieving continuous improvement in energy performance and the Energy Management System of the company
- Establishing and reviewing objectives and targets for energy management
- Providing the necessary resources and information to achieve the objectives and targets set within the Energy Management System
- Meeting all legal and other requirements related to energy use and consumption and the energy performance of the company
- Contributing to addressing climate change through improvements in energy efficiency and the conservation of natural resources throughout the lifecycle of the company's services
- Procuring products and services with high energy efficiency
- Designing for energy efficiency improvement
- Providing continuous training, education, and motivation of personnel on energy management issues
- Continuously monitoring, analyzing, and evaluating the energy performance and Energy Management System of the company.

The reduction of greenhouse gas emissions (GHG) of the Company is a target through the improvement of energy efficiency of infrastructure and processes. In this context, the company has recorded the total direct and indirect emissions of Scope 1 and 2, respectively.

The calculations of greenhouse gas emissions include the direct emissions (Scope 1) resulting from stationary combustion sources and company-owned transportation, as well as the indirect emissions (Scope 2) resulting from the use of electricity, as defined according to ISO 14064-1:2018 and the GHG Protocol.

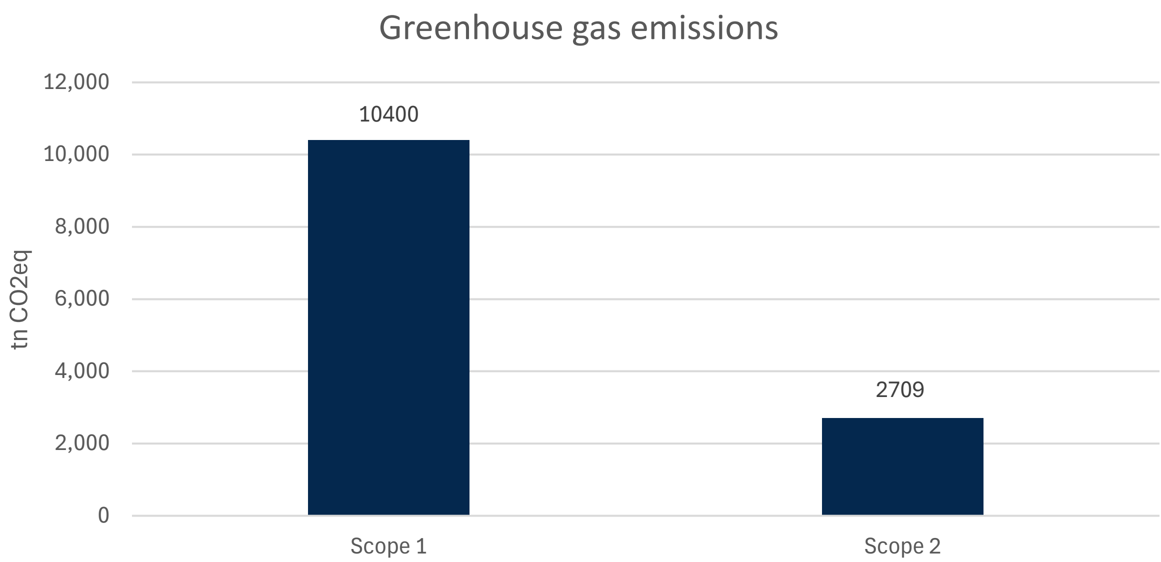



Chart 4: Scope 1 and Scope 2* emissions

**finalised emissions will be published in the Sustainable Development Report*

**Water Management**

Protection of the aquatic environment and rational use of water is a significant goal for the Company, as its activities are directly associated with it. It should be noted that the Company central offices are connected to the water supply network and fully cover the water needs for personnel hygiene and cleanliness of the premises. For the year 2023, the total water consumption amounted to 355.72 ML.

*Table 3: Water consumption*

| Water consumption (ML) | |
|---|---|
| Drinking water from the water supply network | 60,80 |
| Drinking water from containers (blue water) | 0,11 |
| Non-drinking water for dust control | 246,29 |
| Non-drinking water for other uses | 48,52 |

**Pollution Prevention**

Special emphasis is placed on environmental respect and the reduction of the negative impacts of our actions on nature in every project. The Company method for addressing environmental issues is comprehensive, encompassing all stages from preparation and submission of bids to construction and landscaping of the natural environment. To achieve this goal, the company has defined and implemented specific steps for identifying and managing environmental risks.

To prevent environmental incidents during the various phases of projects, the Company has established and adheres to strict environmental management procedures at all its construction sites. These procedures are implemented by all employees and subcontractors, and monitoring their compliance is part of the ongoing project supervision.

Particular attention is paid to the management and collection of waste generated by all projects and facilities. The waste management process at the facilities is based on a holistic approach, executed with strict compliance with applicable legislation. Waste is collected and temporarily stored in specially designated areas within the facilities before being collected by authorized collectors for processing and final disposal.

| | Hazardous waste (tn) | Non-hazardous waste (tn) | Total (tn) |
|---|---|---|---|
| 2023 | 4.068 | 2.020.392 | 2.024.460 |
| 2022 | 132 | 93.766 | 93.898 |

**Biodiversity**

The Company commitment to environmental protection and the preservation of flora and fauna in the areas where its projects are implemented is expressed through a series of specific, organized actions and policies. The Company takes the obligation to protect the natural environment very seriously, ensuring the execution of every activity with the utmost respect. The implementation of the company's environmental management principles is strict and applied across its entire range of activities, aiming to minimize human impact and promote sustainability in its projects.

Additionally, continuous training and awareness of its personnel on environmental management and sustainability issues constitute a strategic pillar of its corporate philosophy. The Company not only provides necessary training but also encourages the development of a culture based on active participation and commitment of its employees to these issues.

In conclusion, the Company adopts an approach that goes beyond mere compliance with current environmental requirements and actively promotes sustainability and environmental responsibility at all levels of its operation, contributing to the construction of a sustainable future legacy by protecting the natural environment and enhancing social welfare.

**Circular Economy**

For the Company, the principles of the circular economy are not treated as a mere theoretical direction but have systematically been integrated into its daily operations and processes in recent years. Its primary goal is the continuous reduction of its environmental footprint through limited and more efficient use of raw materials, waste minimization, and emissions reduction.

The Company ensures that waste management, regardless of its potential risks, is exclusively carried out by specialized and appropriately licensed management companies.

With deep appreciation for the natural environment, the Company incorporates the principles of the circular economy into its core operational objectives, which include reducing the total volume of generated waste and properly segregating them for final disposal. To this end, the company has installed specialized waste bins and containers in carefully designated areas with clear labeling within its central offices, encouraging waste separation at the source for more effective management.

**Axis S - Social and Labor Issues**

In the current era, where social awareness and demands for corporate transparency are increasing, emphasis on corporate responsibility and adherence to ethical standards and social norms becomes increasingly critical. The Company adopts this perspective, demonstrating a commitment to fair and equitable treatment of employees, ensuring safe and healthy working conditions, and promoting diversity, equality, and inclusion.

Focusing on a people-centric approach, the Company recognizes the importance of a positive work culture reflected in the happiness of employees, their loyalty, and the enhanced overall performance of the company. Dedication to these values and avoiding violations of human rights enhance the company's reputation and trust.

Additionally, the company actively recognizes and addresses social issues that may affect its operations, continuously adapting its business strategies and practices. Awareness of social changes and adaptation ensure alignment with ethical standards and leadership in supporting social well-being.

Engagement with these issues strengthens the Company, preparing it for future challenges and reinforcing a positive corporate identity based on a people-centric approach and sustainable development.

**Key Elements of Human Resources**

Employees are the core of the Company and are essential for achieving its business goals. The Company has established policies to ensure a safe working environment and provide equal opportunities for training and personal development.

The recruitment process is based on meritocratic selection and evaluation systems, adapted to the specific needs and requirements of each work field. These systems guarantee equal opportunities for training and professional development without discrimination. Meritocratic and objective evaluation of employees encourages excellence and professional development, while effective Health and Safety management through the enhancement of accident prevention culture reflects the company's unwavering commitment to a safe and healthy work environment.

Furthermore, the Company emphasizes improving the quality of life of its employees by offering a range of benefits aimed at enhancing not only their economic and social well-being but also fostering a deeper bond between the human resources and the company. These benefits include private healthcare coverage for employees and their families, ensuring access to quality healthcare services, a blood bank through voluntary blood donation, providing support to employees and their families in case of need, as well as access to medical advice and support on a weekly basis through a medical consultant. Additionally, partial funding for postgraduate studies encourages professional and personal development of employees through education.

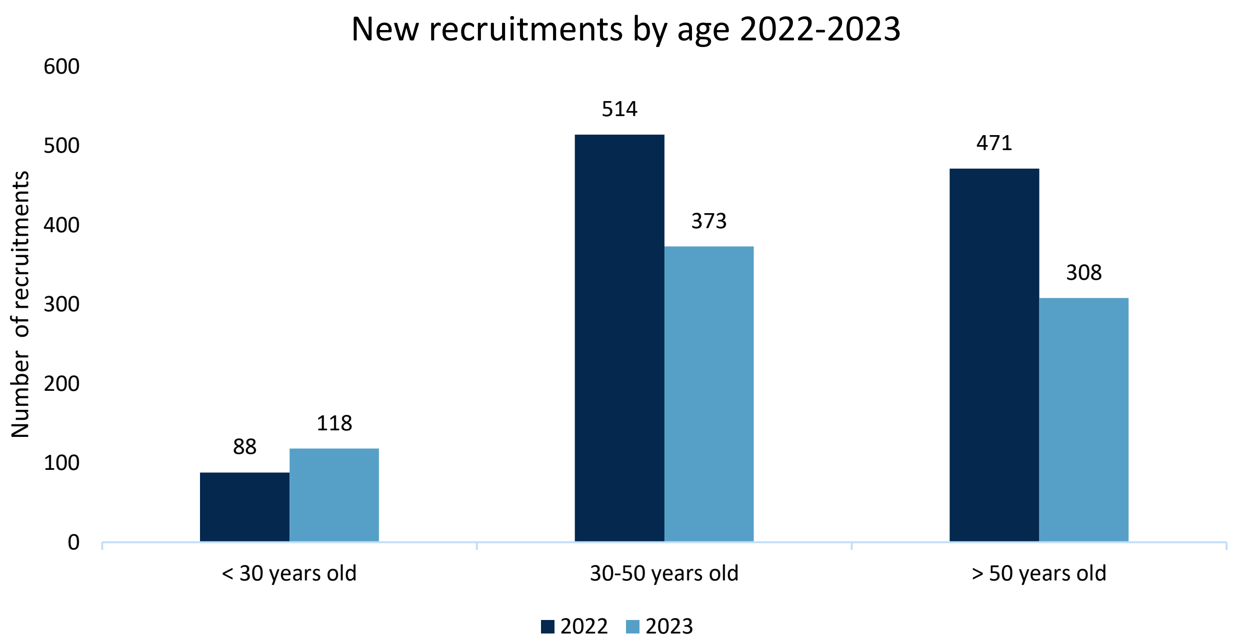



*Chart 4: New Recruitments by Age 2022-2023*

**Worker Safety and Health**

Safety & Health in the workplace is a top priority for the Company management. The Company is committed to ensuring high standards of Safety & Health in the workplace and complies with the requirements of the ISO 45001:2018 standard with the aim of minimizing risks and preventing accidents. Certification applies to the design, study, construction, operation, and maintenance of large-scale projects. Additionally, the Company has a documented Safety & Health Policy to protect its people. The Company aims for continuous improvement of its policies and Safety & Health system to implement best practices for the protection of its people.

According to its policy for Worker Safety and Health, the Company is committed to:

- Ensuring the best Safety & Health conditions at work and preventing injuries and illnesses in the workplace, achieved through available technical and financial capabilities.
- Monitoring and complying systematically with legislation on Safety & Health issues.

- Harmonizing with the requirements of the ISO 45001:2018 standard.
- Establishing clear and measurable objectives and evaluating its performance with the aim of continuous improvement.
- Enhancing training and education measures for its employees.
- Focusing on eliminating all kinds of risks associated with its activities through systematic risk assessment methodologies and implementing preventive measures to ensure the safety and health of workers.
- Encouraging employee participation in seeking effective methods to identify, assess, and eliminate (or limit to an acceptable level) workplace risks.
- Collaborating with authorities, competent government agencies, and organizations to improve this specific policy.
- Conducting regular inspections and checks through established procedures.
- Investigating incidents and drawing conclusions to assess and improve its performance in Safety & Health at work.
- Adjusting the Occupational Safety and Health Management System, always operating in compliance with standards and legislation, in cases of changes in the organization, procedures, processes, facilities, personnel, and equipment.
- Informing and raising awareness about Safety & Health issues at work among its clients, contractors, suppliers, and partners.

Special emphasis is placed on training personnel on preventing major accidents and Worker Safety & Health. The topics covered in employee training include, but are not limited to:

- Fire Safety and Protection,
- Personal Protective Equipment,
- Safety Data Sheets,
- Prevention of workplace hazards,
- Safety in workspaces,
- Exercises for dealing with emergency situations.

**Equal Opportunities and Respect for Human Rights**

Respect for human rights is one of the primary goals for the Company, as it recognizes the critical importance of its employees for sustainable business activity. It fully complies with existing legislation and regulations to ensure the protection of human rights, strengthening labor participation through collective bargaining in accordance with national law. It also acknowledges the importance of trade union freedom and promotes constructive dialogue with employee representatives, thus demonstrating its commitment to creating a fair and safe working environment.

The Company places at the core of its philosophy the creation of a work environment where equal opportunities are provided to all employees, thereby eliminating any form of discrimination. Its vision is for a society without exclusions, where individuals from different backgrounds can be integrated into its team. Equal treatment starts from the hiring process and continues throughout the duration of employment in the Company. Promotions, training programs for employee development, and compensation are based on meritocratic criteria.

As part of this commitment, the Company adopts and implements the 10 Principles of the United Nations Global Compact, covering a wide range of issues, from human rights protection and labor rights to promoting gender equality, reducing inequalities, and encouraging well-being for people of all ages. These principles are integrated into the core of the corporate culture and reflected in the Company Code of Business Ethics and Conduct, which provides clear guidelines to employees, fostering an environment of respect and protection of human rights.

The Company continuously endeavors to increase the diversity of its workforce by employing more women in its activities and in its Board of Directors, employing different age groups, and hiring people from diverse educational backgrounds. It is worth noting that last year, the hiring of women in the company quadrupled.

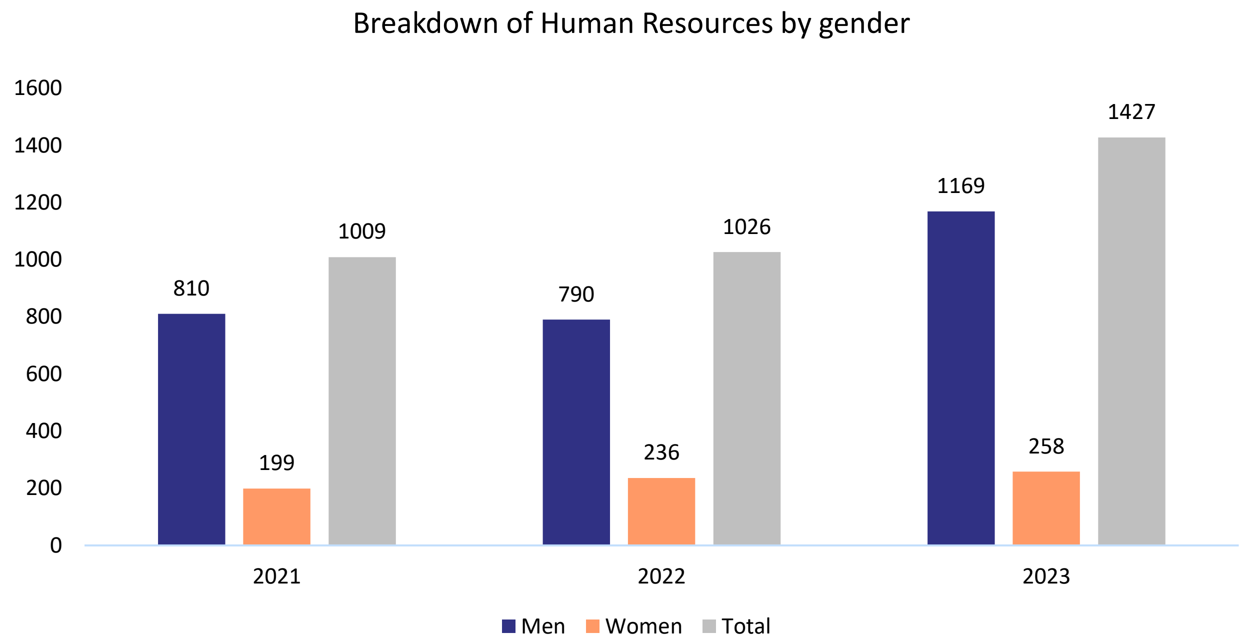



Chart 5: Breakdown of human resources by gender 2020-2023

**Relationship with Clients**

The Company is distinguished for the continuous and deep relationships of trust it has managed to develop with its clients, both in the domestic and international markets. The key to its success lies in the high levels of customer satisfaction achieved after the completion of projects, emphasizing excellence in delivery and implementation. The company successfully meets the requirements and demands of the projects it undertakes, which are defined from the outset by its clients.

An important part of this process is the formal recording of customer satisfaction, especially when it comes to public entities. This approach is evidence of the Company commitment to providing services that not only meet but exceed the expectations of its customers. Regarding the management of complaints, the Company has implemented an effective communication mechanism, where complaints that may arise are directly conveyed to Project Directors via email and/or telephone (Grievance Mechanism).
Additionally, a critical factor for the successful completion and delivery of projects is the selection of partners. The Company recognizes the need for excellent selection of partners, such as engineers and architectural firms, who must align with the values and philosophy of the company. This means that all partners must demonstrate full compliance with applicable laws and share commitment to achieving high standards of quality, safety, and integrity in their work.

**Quality Assurance**

The Company implements a comprehensive quality assurance strategy, creating and maintaining policies and procedures that cover all areas of its business activities. The Company conducts regular audits seeking continuous improvements. It has adopted a Quality Policy, which is compatible with the requirements of the international standard ISO 9001, ensuring the effective operation of a Quality Management System that covers all functions of the business.
Through the Management System, the Company aims to continuously strengthen and improve its reputation in the field of quality management of the projects it implements. This involves careful and precise execution of projects, which fully meets the needs, requirements, and expectations of its customers, in accordance with all applicable legislative regulations, standards, and regulations. Furthermore, it emphasizes the continuous development and utilization of the technical knowledge gained through its experience, expanding the knowledge of its employees through regular and targeted training programs. This approach ensures the company's ability to successfully meet the growing and evolving demands of the industry, maintaining and continuously improving the quality and efficiency of its services.

**Responsible Supply Chain Management**

The Company recognizes the importance and attention required to develop strong relationships with its suppliers, and for this reason, it places great emphasis on their selection. It strictly follows a set of principles such as fairness, transparency, trust, honesty, and integrity in managing its relationships with suppliers and contractors, aiming to build long-term and mutually beneficial relationships. The Company focuses on continuously improving its services and ensuring the exceptional quality of its projects, acknowledging the importance of selecting and sourcing materials, especially from local suppliers whenever possible, to support the local economy and reduce environmental footprint.

For to engage in cooperation with suppliers, it is essential that they adhere to the same principles, hence it follows a targeted approach in selecting its suppliers, aiming to create and maintain long-term and mutually beneficial professional relationships.

The purpose of this approach is to select suppliers with whom it can enter into agreements and develop strong and long-term bonds. This selection process involves not only raw materials but also mechanical equipment, which is crucial for the efficient execution of its projects. The Company has incorporated a comprehensive management process for mechanical equipment, ensuring that all equipment is managed in a way that ensures maximum performance and best environmental practices. This process includes defined steps for proper maintenance and efficient use of equipment on projects, while simultaneously focusing on reducing environmental footprint, emphasizing the company's commitment to adopting best practices that combine business efficiency with environmental awareness.

Additionally, the company implements a specially tailored management process for its subcontractors, aiming to ensure high quality and efficiency in project execution by selecting subcontractors through a process that examines their capabilities, experience, and past performance. Based on the specific requirements of the projects and the criticality of the tasks to be performed, on-site inspections are conducted by quality engineers to accurately assess the performance of subcontractors and verify compliance with established standards. The Company evaluates the commitment of its subcontractors to the principles of sustainable development, and its goal is to select suppliers who have incorporated sustainable development practices.

**Actions of Social Responsibility**

Another strategic objective of the Company is to contribute to the well-being of its fellow human beings. The Company does not perceive its social commitment as a mere addition to its business activities but as a fundamental pillar of its operation and development. By incorporating responsible practices at all levels of action, the Company seeks to make a positive contribution to society while creating value for its employees, customers, and local communities.

Recognizing the value of its direct involvement in local communities, the Company develops collaborative relationships that allow it to understand and effectively respond to the needs and concerns of residents. The local communities in which the Company operates are significant factors for its operation, and it aims to contribute maximally to their well-being through the cultivation of relationships based on mutual trust, job creation, and donations to support local efforts. Through active participation and support for local communities, the Company strengthens social cohesion and practical solidarity.

Additionally, the Company undertakes actions to support vulnerable social groups by providing sponsorships and donations to organizations and various initiatives aimed at addressing a wide range of needs. Through its actions, the Company demonstrates its willingness and commitment to positively contribute to the welfare of society beyond its successful business activities.

This holistic and multidimensional approach to social commitment reflects the Company belief that the success of a company is measured not only by its financial results but also by its ability to make a positive contribution to society and enhance sustainability on social and environmental levels.

**Voluntary Blood Donation**

The Company organizes voluntary blood donation drives in collaboration with the Amalia Fleming Hospital, and for 2023, we collected 65 bottles of blood for the AVAX Blood Bank.

**AVAX is supporting the Affected Thessaly Communities**

The Company provided personnel and machinery to authorities for restoration work following the damages caused by the Daniel storm in Thessaly. Additionally, it distributed 75,000 bottles of bottled water to the affected individuals. Similar support was provided to the regions of Thrace affected by the August wildfires.

**Continuous Support for "The Smile of the Child" Home in Melissia**

The Company has been providing continuous support to the "Smile of the Child" organization by supplying essential items, food, and heating oil for the seamless operation of the Home.


*Diagram 6: Company Actions of Social Responsibility 2023*

**Axis G - Governance Issues**

The Company, with determination and strategic commitment to implementing advanced corporate governance processes, emphasizes its commitment to transparency and sustainability, harmoniously combining the pursuit of commercial growth with responsible entrepreneurship. Recognizing the value of good corporate governance as a critical element in strengthening the trust of stakeholders and enhancing its competitive position, the Company has gained a leadership position in the field, promoting practices that ensure integrity, transparency, and compliance with legislative requirements.

Corporate Governance determines the daily operations of the Company on issues such as:

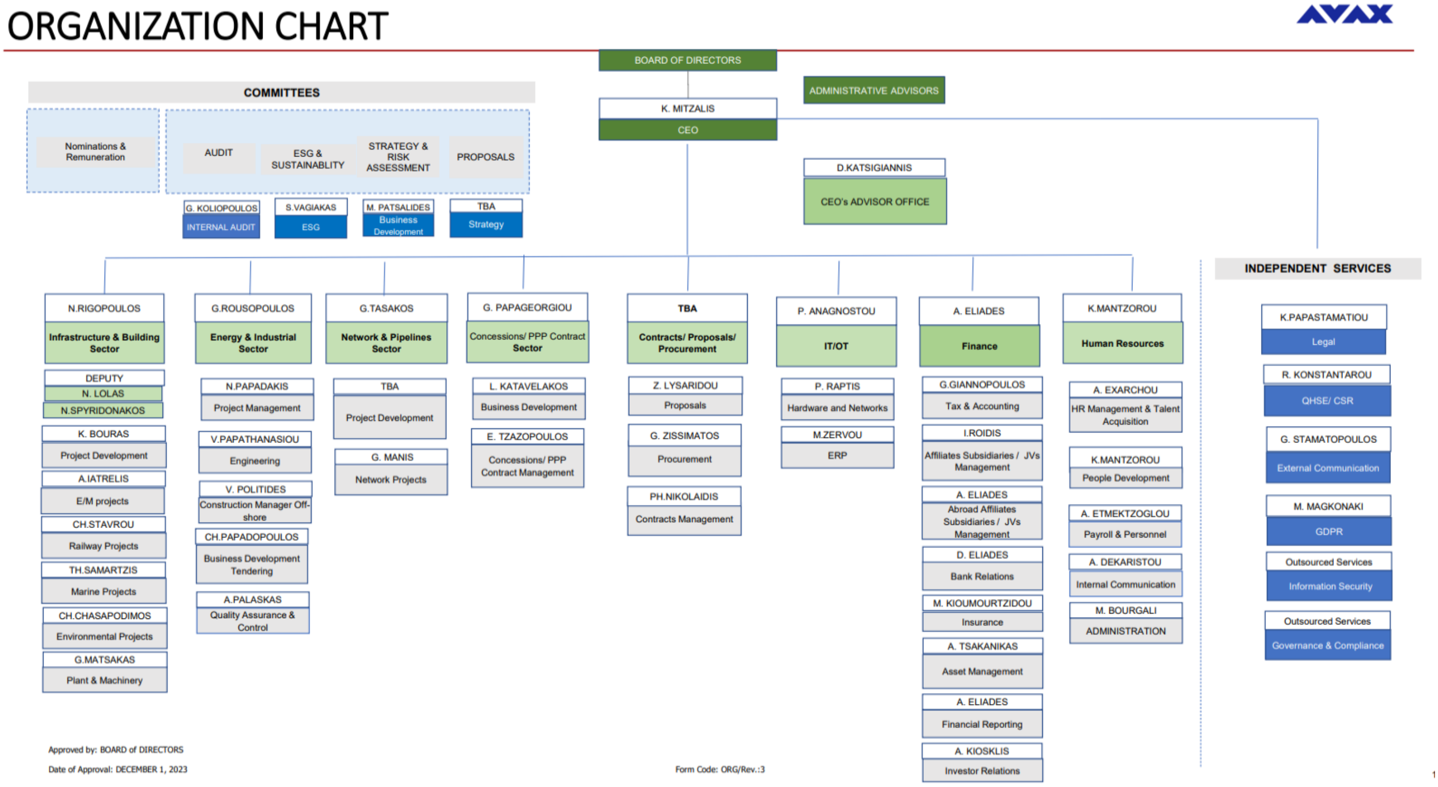
- The composition and operation of the Board of Directors
- Strict control mechanisms
- The organizational structure of the Company
- The performance evaluation and compensation system for executives
- The Company's disclosure policy
- The Board of Directors of the Company was elected for a three-year term on June 24, 2021, i.e., until June 24, 2024.

The members of the Company Board of Directors are presented in the table below:

*Table 6: Members of the Board of Directors*

| Title | Full name |
|---|---|
| Chairman, Executive Member | Christos Ioannou |
| Deputy Chairman, Executive Member | Konstantinos Kouvaras |
| Vice Chairman, Non-Executive Member | Aikaterini Pistioli |
| Managing Director | Konstantinos Mitzalis |
| Executive Member | Konstantinos Lysaridis |
| Executive Member | Antonis Mitzalis |
| Independent, Non-Executive Member | Christos Siatis |
| Independent, Non-Executive Member | Alexios Sotirakopoulos |
| Independent, Non-Executive Member | Michael Hadzipavlou |
| Independent, Non-Executive Member | Theodora Monohartzi |

The organisation chart below presents the way in which the governance of the Company is allocated, as approved by the Board of Directors on December 1, 2023.




In the context of corporate governance, the Company places particular emphasis on effective risk management (further analyzed in the chapter Risk Identification Regarding Non-Financial Issues) as well as combating corruption and bribery. Additionally, significant governance issues for the Company include Business Ethics and Integrity, tax transparency, ensuring operational continuity and readiness for emergency situations, personal data protection and cybersecurity, as well as attracting investors who emphasize ESG issues.

**Combating corruption and bribery**

The Company, fully aware of the responsibility it bears in the business environment, is committed to enhancing transparency and eliminating all forms of corruption and bribery within its organization. It recognizes that combating corruption and bribery as phenomena are central pillars for the safe and transparent operation of the company, as they directly affect the activities and ethical culture of the company.

In this context, the Company implements an Anti-Bribery Management System, following the International Standard ISO 37001, which ensures continuous assessment and management of risks related to bribery and corruption. Its steadfast commitment is further supported by the development and adherence to a comprehensive range of Policies and Codes, such as the Anti-Bribery Policy, the Code of Business Ethics and Integrity, as well as a Compliance Manual with Competition Rules. In this regard, the Company continuously assesses the risks and opportunities that arise, with the aim of improving processes and effectively addressing any incidents of corruption. This process helps in prioritizing and effectively managing risks, while simultaneously enhancing organizational transparency and integrity.

With these practices, the Company reaffirms its commitment to applying high standards of ethics and business integrity, always remaining in full alignment with domestic and European legislation. This commitment, to the principles of transparency and responsible entrepreneurship, makes the Company a model of corporate governance and contributes to the development of a healthy free market characterized by transparency and ethics."

**Data Security and Privacy**

In today's business landscape, the protection of personal data is an essential necessity for which every company should take measures to ensure compliance. The Company, recognizing this criticality, actively engages in securing the confidentiality of the data it handles. The volume of data entering the Company jurisdiction and the need for their secure management and protection have led to the development of a broader framework for data security and management.

This framework includes internal policies and procedures, oversight of compliance through the Company Data Protection Officer (DPO), as well as the adoption and implementation of legislative provisions such as the GDPR Regulation. A significant role in enhancing protection is also played by the certification of the Information Security Management System according to ISO 27001, while the DPO, a member of the Group's ESG Committee, closely collaborates with National and European Data Protection Authorities to ensure continuous compliance with developments in current legislation.

Moreover, the Company ensures the protection of personal data from the initial stage of processing through subcontracting agreements that include clear protection terms. The Company supports compliance with the current framework, promotes a culture of compliance internally, and conducts continuous assessments and audits to achieve ongoing compliance at all levels of data management and processing.

Through the above, the Company underscores its unwavering commitment to the security of personal data and the protection of privacy, establishing itself as a standard-bearer in data management and protection.

**Attracting Investors Emphasizing ESG Issues**

The Company is focused on attracting investors who prioritize Environmental, Social, and Governance (ESG) issues, consistently developing and implementing strategies that reflect this commitment. Recognizing that sustainability and responsible business practices are critical factors for the long-term success and growth of a corporate entity, the Company continuously invests in initiatives that enhance environmental performance, social contribution, and transparency in its management and operations.

Harmonization with European Union Regulations and a focus on economic activities supporting sustainability strengthen the Company position as a preferred choice for investors focusing on growth through the adoption of practices that contribute to reducing environmental footprint and promoting social responsibility, creating a solid foundation for long-term value and growth.

Through this specific approach, the Company seeks to remain at the forefront of sustainable development, ensuring that its activities are fully aligned with the latest requirements and directions for sustainability, thus offering significant opportunities for investors seeking to contribute to the creation of a more sustainable and responsible economy.

The Company, therefore, through conscious application and the development of strategies supporting the principles of good governance and corporate responsibility, manages to combine business excellence with sustainable and responsible development. Adherence to these values is not only an ethical obligation but also a strategic advantage, allowing it to emerge as a preferred investment destination, while also strengthening trust relationships with its customers and all stakeholders.

**Non-Financial Performance Indicators (NFPIs)**

The section of non-financial indicators includes metrics related to the Company performance in Environmental, Social, and Corporate Governance (ESG) matters. The table below presents the required ESG data of the Non-Financial Information.

| ENVIRONMENT | | |
|---|---|---|
| **INDEX** | **Price 2023*** | **Measurement unit** |
| Direct GHG Emissions (Scope 1) | 10.399,95 | Metric tonnes of CO2 or equivalent |
| Indirect GHG emissions (Scope 2) | 2.709,16 | Metric tonnes of CO2 or equivalent |
| Electricity consumption | 18,29 | TJ |
| Water consumption | 355,72 | ML |
| Fuel consumption from renewable sources | 0 | TJ |
| Energy consumption for heating within the company | 3,13 | TJ |
| Hazardous waste produced | 4.068,40 | t |
| Non-hazardous waste generated | 2.020.392 | t |
| Electricity purchased for consumption | 5.081 | MWh |
| **SOCIETY** | | |
| **INDEX** | **Price 2023*** | **Measurement unit** |
| Total number of employees | 1427 | Number |
| Total number of female employees | 258 | Number |
| Full-time male workers | 1.169 | Number |
| Full-time female employees | 252 | Number |

| | | |
|---|---|---|
| New recruitments of female employees under 30 years old during the reference period | 23 | Number |
| New recruitments of women aged 30-50 during the reference period | 48 | Number |
| New recruitments of female employees over 50 years old during the reference period | 15 | Number |
| New recruitments of employees under 30 years of age during the reference period | 95 | Number |
| New recruitments of men aged 30-50 during the reference period | 315 | Number |
| New recruitments of employees aged 50+ during the reference period | 293 | Number |
| Total number of voluntary departures | 158 | Number |
| Total number of hours of training provided to the top 10% of employees | 8 | Number |
| Total number of employees in the top 10% of employees by total pay | 143 | Number |
| Total number of training hours provided to the bottom 90% of workers with a total of | 710 | Number |
| Total number of employees in the bottom 90% of employees based on total pay | 1.284 | Number |
| Expenditure on employee training | 26.283 | Euro (€) |
| Deaths due to work-related injury for all workers | 1 | Number |
| Recorded work-related injuries for all workers | 26 | Number |
| Working hours for all workers | 6.880.002 | Hours |
| **ADMINISTRATION** | | |
| **INDEX** | **Price 2023*** | **Measurement unit** |
| Tax name | COMMERCIAL - INDUSTRIAL - BUILDING MATERIALS & CONSTRUCTION MATERIALS MACHINERY S.R.O. | Text of |
| Private / Public Property | LISTED ON THE STOCK EXCHANGE | Text of |
| Legal form of the company | LIMITED LIABILITY COMPANY | Text of |
| Areas of activity | The Group is active in the infrastructure sector and specifically in the sectors of Construction, Concessions, Environment, Development and Property Management. | Text of |
| Business model | pp. 8 | Text of |

| | | |
|---|---|---|
| Supply Chain Description | Section 6.6 Responsible supply chain management | Text of |
| Governance structure | Section 7.1 Introduction to Governance Issues | Text of |
| List of committees | Section 7.1 Introduction to Governance Issues | Text of |
| Women in managerial positions | 5 | Number |
| Total employees in managerial positions | 26 | Number |
| Number of members of the highest governing body | 10 | Number |
| Number of women members of the highest governing body | 2 | Number |
| Number of executive members of the highest governing body (e.g. Board of Directors) | 5 | Number |
| Non-executive and independent directors | 4 | Number |
| Internal Code of Operations | YES | YES / NO |
| Regulation of the Nominations Committee & Remuneration of the Board of Directors | YES | YES / NO |
| Rules of Procedure of the Audit Committee | YES | YES / NO |
| Corporate Governance Code | YES | YES / NO |
| Board Member Suitability Policy | YES | YES / NO |
| Remuneration policy | YES | YES / NO |
| Code of Conduct | YES | YES / NO |
| Anti-corruption and anti-bribery policy | YES | YES / NO |
| Environmental Policy | YES | YES / NO |
| Quality Policy | YES | YES / NO |
| Information Security Policy | YES | YES / NO |
| Safety & Health Policy | YES | YES / NO |
| Anti-Violence and Harassment Policy | YES | YES / NO |
| Energy Management Policy | YES | YES / NO |
| Road Safety Policy | YES | YES / NO |
| Privacy and Personal Data Protection Policy | YES | YES / NO |
| ISO 9001 Quality Management System | YES | YES / NO |
| ISO 14001 and EMAS Environmental Management Systems | YES | YES / NO |
| ISO 45001 Occupational Health and Safety Management Systems | YES | YES / NO |
| ISO 50001 Energy Management Systems | YES | YES / NO |
| ISO 37001 Anti-Bribery Management Systems | YES | YES / NO |
| ISO 27001 Information Security Management Systems | YES | YES / NO |
| ISO 39001 Road Traffic Safety (RTS) Management Systems | YES | YES / NO |
| ISO 22301 Security and Resilience — Business Continuity Management Systems | YES | YES / NO |
| ISO 14064-1 Greenhouse Gas Emission Management System | YES | YES / NO |

*All values presented are based on available data up to the present. They are subject to change as more information becomes available and clarifications are made. Updated values will be presented in the upcoming Sustainability Report.

**EU Taxonomy**

The European Union (EU), in 2019, with the adoption of the European Green Deal, created a roadmap towards achieving the continent's climate neutrality by 2050. This agreement includes a series of policy initiatives in various areas of interest to the EU and its member states, such as energy, environment, industry, and sustainable finance, all of which have strong interdependence.

In this context, and in order for the Green Deal not to remain a mere wish list but to indeed acquire mandatory force, the European Climate Law made legally binding both the target of reducing greenhouse gas emissions by 55% by 2030 compared to 1990 levels, and achieving climate neutrality by 2050.

In line with the above, the European Union implemented Regulation (EU) 2020/852 in 2021 for its Taxonomy, creating a "green" classification system that translates the EU's climate and environmental goals into clear and objective criteria for defining environmentally sustainable economic activities.

According to Regulation (EU) 2020/852, an economic activity is considered eligible if it is included in the EU Taxonomy and can contribute to one or more of the six environmental objectives explicitly listed in Article 9 of the regulation. These objectives are as follows:

- Climate change mitigation (CCM)
- Climate change adaptation (CCA)
- Sustainable use and protection of water and marine resources (WTR)
- Transition to a circular economy (CE)
- Pollution prevention and control (PPC)
- Protection and restoration of biodiversity and ecosystems (BIO)

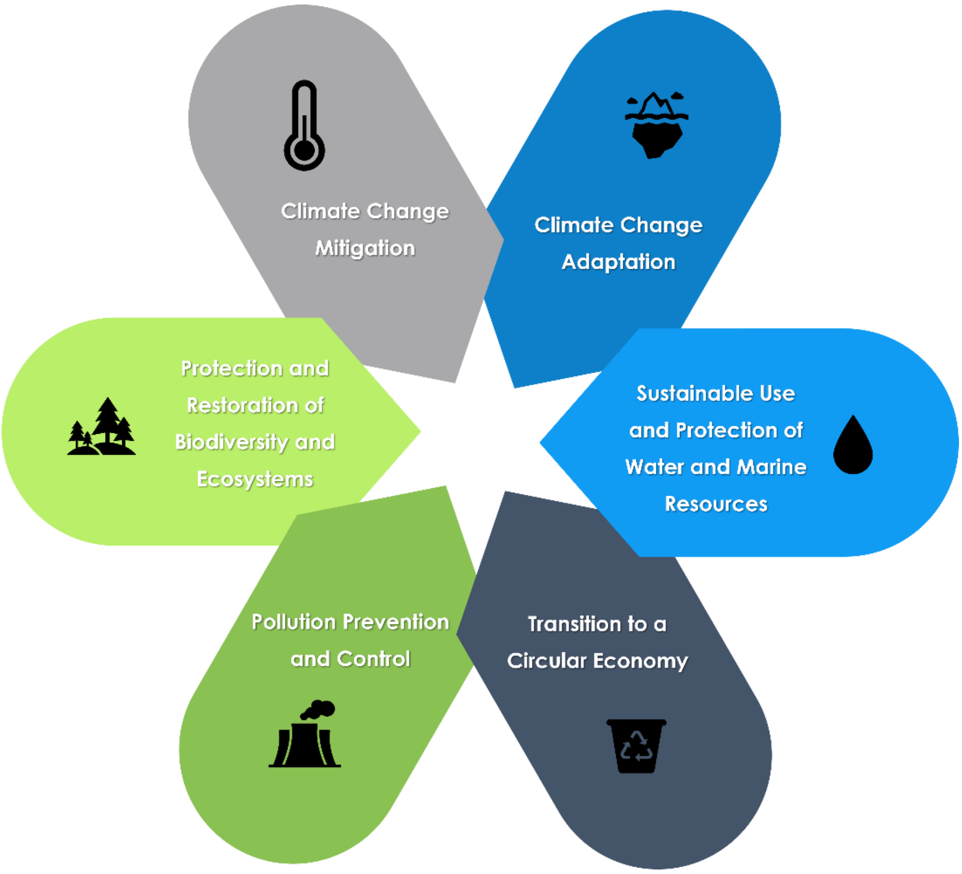



*Chart 7: Six Environmental Objectives*

Apart from the six environmental objectives, for an economic activity to be classified as aligned with the EU Taxonomy, it must cumulatively meet four conditions as recognized in Article 3 of the European Regulation, namely:

- Significantly contribute to achieving one or more of the environmental objectives set out in Article 9 (see above).
- Comply with the technical screening criteria set by the Commission in delegated acts issued for each economic activity regarding the achievement of the environmental objectives of the Regulation.
- Not significantly harm any of the environmental objectives set out in Article 9.
- Be exercised in accordance with the minimum safeguards provided for in Article 18, i.e., align with the OECD guidelines for multinational enterprises and the guiding principles of the United Nations on business and human rights, including the principles and rights set out in the eight fundamental conventions identified in the declaration of the International Labor Organization on fundamental principles and rights at work and in the International Bill of Human Rights.

The scope of the European Taxonomy Regulation includes participants in financial markets or issuers regarding financial products or corporate bonds offered as environmentally sustainable, participants in financial markets with financial products, and companies subject to the obligation to publish non-financial statements, in accordance with Article 19a of Directive 2013/34/EU of the European Parliament and of the Council, or consolidated non-financial statements, in accordance with Article 29a of the said Directive. These companies are required to disclose the amount and percentage of activities that are eligible, non-eligible, and aligned with the first two climate targets as part of their overall turnover and capital and operational expenditure. Financial entities or public authorities not covered by Regulation (EU) 2020/852 may also apply the regulation on a voluntary basis.

It should be noted that the EU Taxonomy Regulation includes two reporting requirement levels: eligibility for Taxonomy and alignment with Taxonomy, which is a subset of the former.

**Report of AVAX SA on the European Taxonomy**

Within the framework of the EU Taxonomy Regulation and considering the supplementary delegated Regulations of the European Commission, namely (EU) 2021/2139, (EU) 2021/2178, (EU) 2023/2485, and (EU) 2023/2486, AVAX SA (the "Company") submits a relevant report including the percentage of eligible and aligned economic activities according to the European Taxonomy, in relation to the total turnover, capital expenditure (CapEX), and operating expenses (OpEX).

**Process of Business Activities Analysis**

The method applied for assessing the Company economic activities consists of five distinct stages:

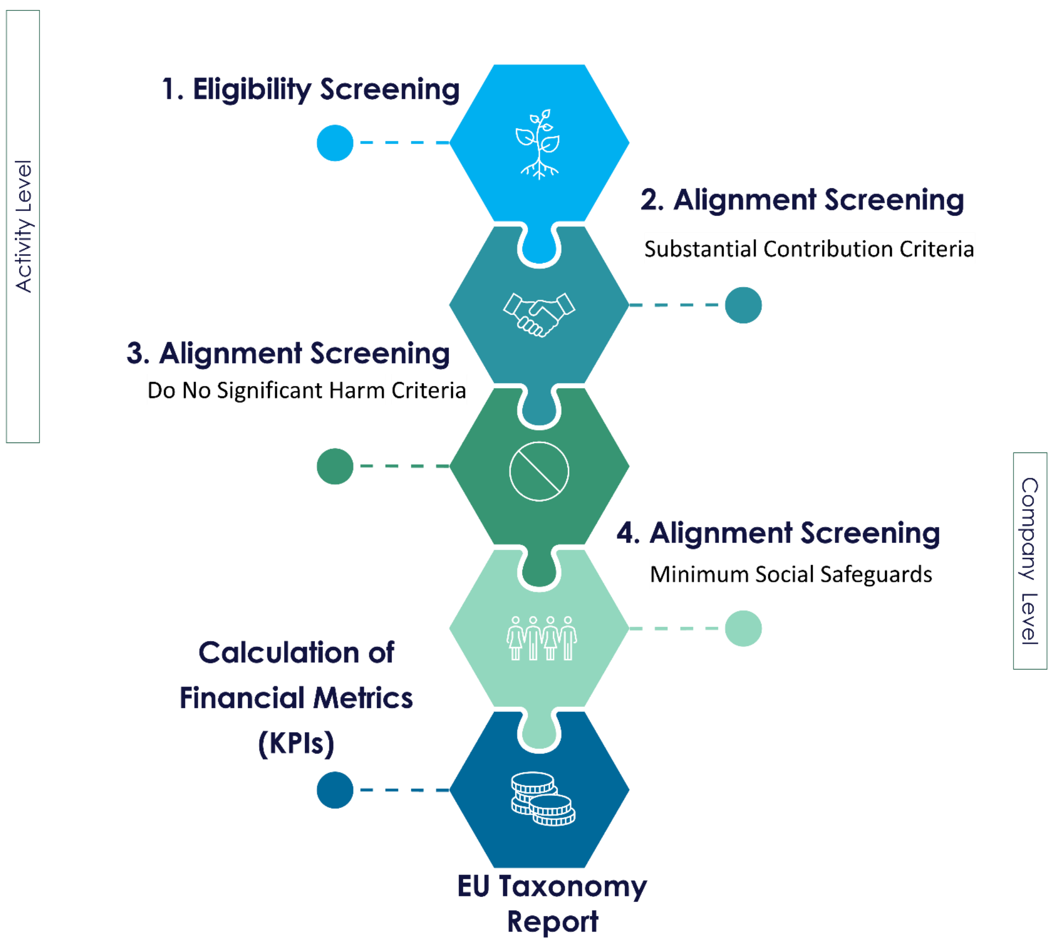



*Chart 8:Business Activity Analysis Process*

**Eligibility Assessment**

The evaluation process of the eligibility of the Company's economic activities was conducted based on the provisions of the EU Taxonomy Regulation 2020/852, the delegated Regulation 2021/2139 for establishing technical screening criteria for determining the conditions under which certain economic activities are deemed to significantly contribute to climate change mitigation or adaptation and for determining to what extent these economic activities do no significant harm to any other environmental objectives (Delegated Act on Climate), the delegated Regulation 2022/1214 amending delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors, and the delegated Regulation (EU) 2021/2178 concerning specific disclosures for such economic activities (Delegated Act on disclosures). Additionally, consideration was given to the two new delegated acts issued in 2023 by the European Commission, namely, delegated Regulation 2023/2485, which expands the number of eligible activities to the adaptation and mitigation objectives of climate change, and delegated Regulation 2023/2486, which sets out the technical screening criteria for the economic activities of the remaining four environmental objectives.

It should be noted that for an economic activity to be considered eligible, it is sufficient to be described in the Delegated Act for the environmental objective it substantially contributes to. On the other hand, for an economic activity to be classified as aligned, it must meet the technical screening criteria defined for each activity, not harm any of the other environmental objectives as specified in the Regulation, and comply with minimum social safeguard requirements.

Based on the above, the Company has assessed a total of 5 activities.

**Eligible Activities of the Company**

*Table 4: Eligible activities*

| Economic activities defined in the EU taxonomy | Description of the Company's Activity | Environmental / Climate Objective |
|---|---|---|
| 7.3 Installation, maintenance and repair of energy efficiency equipment | Individual renovation measures consisting of the installation, maintenance or repair of energy efficiency equipment. | Climate Change Mitigation (CCM) / Climate Change Adaptation (CCA) |
| 5.2 Renewal of water collection, treatment and supply systems | The economic activity manufactures, installs or provides related services for leakage control technologies that enable the reduction and prevention of leaks in water supply systems (WSS). | Climate Change Mitigation (CCM) / Climate Change Adaptation (CCA) |
| 4.29 Electricity generation from fossil | Construction or operation of | Climate Change Mitigation (CCM) |

| | | |
|---|---|---|
| gaseous fuels | electricity generation facilities that produce electricity using fossil gaseous fuels. This activity does not include electricity generation from the exclusive use of renewable non-fossil gaseous and liquid fuels. | |
| 4.16 Installation and operation of electric heat pumps | Installation and operation of electric heat pumps. | Climate Change Adaptation (CCA) |
| 5.1 Construction, extension and operation of water collection, treatment and supply systems | Construction, extension and operation of water collection, treatment and supply systems | Climate Change Mitigation (CCM) / Climate Change Adaptation (CCA) |

**Non-Eligible Activities**

At this point, it is emphasized that there are Company activities that are not considered eligible because they do not follow under the above-mentioned delegated acts issued by the European Commission.

**Alignment Check - Significant Contribution Criteria**

Subsequently, each of the eligible activities identified in the previous stage is thoroughly analyzed in relation to the corresponding Significant Contribution Criteria (SCC) in one of the EU Taxonomy sectors.

**Installation, Maintenance, and Repair of Energy Efficiency Equipment - Activity Number 7.3**

The Company has undertaken the implementation of individual refurbishment measures consisting of the installation, maintenance, or repair of energy efficiency equipment, which are classified into the two highest categories of energy efficiency according to Regulation (EU) 2017/1369 and meet the minimum requirements set for individual elements and systems in the applicable national measures implementing Directive 2010/31/EU, thereby contributing to the reduction of energy consumption and consequently to climate change mitigation. The Company's activities involve the purchase/installation of modern LED lighting systems (projectors, luminaires, street lighting, lenses), the purchase of a 4-20mA signal generator, and depreciations related to TBM (conveyor belt system, water cooling system, acquisition of TBM No2).

**Installation and Operation of Electric Heat Pumps - Activity Number 4.16**

The Company has incurred expenses related to the installation and operation of modern electric heat pumps that comply with the following criteria, according to the requirements of the Taxonomy to make a substantial contribution to climate change mitigation:

- Refrigerant Limit: The Global Warming Potential (GWP) does not exceed 675.

- Energy Efficiency Requirements: The energy efficiency requirements as defined in the implementing regulations (206) of Directive 2009/125/EC are met.

It is noted that electric heat pumps are non-natural adaptation solutions that significantly reduce natural hazards such as high temperatures, thereby contributing to the goal of adapting to climate change.

**Electricity generation from Fossil Gaseous Fuels - Activity Number 4.29**

In 2023, the Company undertook the construction of the Mintia Combined Cycle Power Plant in Romania. The unit is being constructed in the Deva region of Romania with a total capacity of 1,750MW, and work commenced in August 2023.

**Water Management Systems (Construction, Expansion, Operation & Renewal) - Activity Number 5.1 & 5.1**

The Company installs leak control technologies that allow for the reduction and prevention of leaks in water supply systems (WSS). Additionally, the Company expenses include the renewal of water collection, treatment, and distribution infrastructure for residential and industrial needs. These services improve the energy efficiency of existing water management systems by reducing their energy footprint, while also reducing losses from water supply systems, thereby contributing to sustainable water resource management. The Company investments towards this Taxonomy goal include the purchase of an Inverter for a water pump, as well as the purchase of water tanks and depreciations for a concrete pump (CIFA) and a FLYGT BS.2640 181 pump.

**Alignment Check - Criteria for Non-Significant Harm to Climate (DNSH)**

The Company, recognizing its responsibilities for environmental conservation, acts in accordance with the Sustainable Development framework. Specifically, for activities that meet the criteria of significant contribution and have been analyzed above, the Company has adopted and implemented the provisions of Article 17 of the EU Taxonomy Regulation as well as the corresponding delegated act for climate. The assessment and updating of the criteria of the Do No Significant Harm principle (DNSH) reflect The Company commitment to continuous improvement of its environmental practices. Subsequently, a summary analysis of eligible activities regarding DNSH criteria is presented.

**Climate Change Adaptation**

The Company focuses on the broader development of activities characterized by high resilience to climate change. In this context, the assessment process of each activity provides detailed explanations and substantiates the conclusions, with the quality and detail of the assessment adapting to the scale and importance of each activity. For identified climate threats, adaptation measures are designed to be integrated into the design and operations of activities at all stages of their development. This commitment and systematic approach are fully compatible with the criteria of Annex A of Regulation (EU) 2021/2139.

According to the guidelines for climate protection of infrastructure during the period 2021-2027, the initial step of climate resilience checks aims to identify and assess potential risks related to climate change - current and future.

Proceeding to a general sensitivity analysis of the Company eligible expenses/activities for the Taxonomy, it emerges that the climate risks concerning its activities are floods, extreme heat, drought, sea level rise, fires, and resource scarcity. However, none of the above risks is characterized as high for the specific eligible expenses within the national territory.

**Sustainable Use and Protection of Water Resources**

The DNSH criteria for the installation and operation of heat pumps as well as water management systems meet the criteria of Annex B of the technical control criteria of Regulation 2021/2139. According to this regulation, the risks of environmental degradation associated with maintaining water quality and avoiding water depletion are identified and addressed, aiming to achieve both good status and good ecological potential of water, as defined in article 2, points 22) and 23) of Regulation (EU) 2020/852, in accordance with Directive 2000/60/EC and the water use and protection management plan, which is prepared for the water system or systems that may be affected, in consultation with the relevant stakeholders. Similarly, for investments concerning the installation, maintenance, and repair of energy efficiency equipment, this category is irrelevant.

**Transition to a Circular Economy**

The Company has proceeded with the installation of heat pumps using high durability and recyclable equipment and construction elements, which are easily disassembled and recycled. For the remaining eligible activities, the DNSH criteria for the circular economy are irrelevant.

**Prevention and Control of Pollution**

The heat pumps installed by the Company meet the noise requirements for indoor and outdoor spaces as defined in Regulation (EU) No 206/2012 of the Commission. For the remaining eligible activities, the DNSH criteria for pollution prevention and control are irrelevant.

**Protection and Restoration of Biodiversity and Ecosystems**

The water collection, processing, and supply systems invested in by the Company meet the criteria of Appendix D of the technical control criteria of Regulation 2021/2139, while the remaining activities/expenditures are irrelevant regarding the technical criteria for the protection and restoration of biodiversity and ecosystems.

**Alignment Check with Minimum Social Safeguards**

According to the EU Taxonomy Regulation, an economic activity to be classified as environmentally sustainable must be carried out in accordance with the minimum safeguards provided for in Article 18 of the said Regulation.

In more detail, a company should align its processes/activities based on the following internationally recognized texts:

- OECD Guidelines for Multinational Enterprises.

- UN Guiding Principles on Business and Human Rights.
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
- Universal Declaration of Human Rights.

Additionally, according to the Final Report on Minimum Safeguards of the Sustainable Finance Platform, published in October 2022, the minimum social safeguards that companies must comply with concern the following areas:

- Human Rights (including labor rights)
- Bribery/Corruption
- Tax Matters
- Fair Competition

It is noted that the assessment regarding the requirements of minimum social safeguards was carried out at the Company level and not at the level of each individual economic activity.

It is emphasized that the Company incorporates into its corporate culture the 17 Sustainable Development Goals (SDGs) of the United Nations, specifically concerning the protection of fundamental human rights and labor rights, environmental protection, promotion of Safety and Health at Work, and combating corruption. In this context, the employees and partners of the Company are required to behave in line with its corporate values and commitments, demonstrating ethical integrity and social responsibility.

Following is an analysis of the individual themes and how the Company complies with the aforementioned areas.

**Human Rights**

The Company demonstrates its commitment to the respect of Human Rights as defined in internationally recognized texts of both the United Nations and the European Union. In this context, it incorporates into its corporate values the 10 Principles of the United Nations Global Compact (UNGC), within which are included the protection of human rights (Principles 1 and 2) and the right to work, ensuring and promoting well-being for all ages, gender equality, reducing inequality within and between countries (Principles 3, 4, 5, and 6). It is noted that the sources of the Ten Principles of the UNGC include the Universal Declaration of Human Rights, the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

The Company emphasizes the importance of protecting human rights internally and through the adoption of a policy to Combat Violence and Harassment in the workplace, within which the scope of application of the policy is described in detail, covering all employees and personnel of the Company, regardless of their contractual status, including employees on fixed-term contracts, independent contractors, subcontracted services, individuals undergoing training, including interns and apprentices, volunteers, individuals whose employment relationship has ended, and job applicants. This policy aims to create and establish a work environment characterized by respect, promoting and ensuring human dignity and the right of every individual to a workplace free of violence and harassment. In this way, the Company recognizes and respects the right of every worker to a workplace free from violence and harassment and does not tolerate any such behavior from any person.

In addition to the approved Code of Business Ethics and Conduct, which has been developed based on the OECD Guidelines for Multinational Enterprises, there is an explicit reference to promoting equal employment opportunities through recruitment practices based on substantive and formal criteria, ensuring that no employee or job applicant is subjected to discriminatory treatment based on gender, nationality, race, sexual orientation, political beliefs, age, origin, physical ability, mental disability, family status, or other characteristics protected by law.

Finally, the Company unequivocally opposes any form of child, forced, or compulsory labor and never hires children or personnel for compulsory work.

Based on the above, it is evident that the Company respects human rights (individual, collective, and labor rights) and aims for a workplace free from discrimination, violence, and harassment, characterized by respect for the dignity of all individuals. It is noted that for the year 2023, as well as for previous years, no incidents of human rights violations within the Company were recorded, nor were any incidents of forced and/or child labor observed.

**Bribery/Corruption**

The Company, being one of the most powerful construction groups in the country with a broad presence in the international market, has developed a culture focusing on the transparency of operational processes, with benefits for overall efficiency. Committed to good governance, the company's management implements a certified Anti-Bribery Management System according to the requirements of the International Standard ISO 37001:2016.

In this regard, the company aims to continue and expand its activities in construction projects, while simultaneously seeking effective measures against bribery. To achieve this goal, the following axes are outlined within the Anti-Bribery Policy, approved by the Board of Directors:

- Corporate orientation categorically prohibiting bribery as a phenomenon.
- Full and immediate compliance with relevant legislative and regulatory requirements against bribery.
- Establishment of a Code of Ethics and objectives within the anti-bribery framework.
- Encouragement of reporting concerns without fear of reprisals, based on good faith or reasonable suspicion regarding corruption phenomena.
- Ensuring principle and independence in the company's operation against bribery.
- Existence of predetermined consequences for non-compliance with the Anti-Bribery Policy and the Company Code of Ethics.
- The policy must be applicable to all company personnel, and all stakeholders involved must be committed to it.
- Evaluation and ranking process of bribery risks that may arise during the company's activities.
- Implementation of anti-bribery programs and regular monitoring through an independent compliance authority.

- Promotion of continuous improvement of suppliers and partners regarding bribery issues and regular training of staff to foster a culture of awareness against this phenomenon.

Through these commitments, the Company achieves full compliance with the Anti-Bribery System according to the requirements of the International Standard EN ISO 37001:2016, while also demonstrating zero tolerance for bribery phenomena.
Additionally, the Company has adopted and implemented a Code of Business Ethics and Conduct, which specifically prohibits any form of bribery or corruption and commits its business activities to be conducted in an ethical and legal manner. Its intention is for all its departments and employees, as well as individuals and entities working for or on behalf of it, to take appropriate measures to detect and/or prevent such behavior or attempts.
The Company goal is to always remain in full alignment with current domestic and European legislation and to promote the values of transparency and responsible entrepreneurship through its activities.
For the year 2023, as well as for the previous year 2022, no incidents of corruption/bribery were reported within the Company.

**Tax Matters**

Regarding tax matters, the Company acknowledges their significant nature and considers tax transparency a matter of utmost importance. For this purpose, it ensures compliance with tax and accounting laws, as well as with the requirements of current legislation. To support this, the Company and its subsidiaries has obtained Tax Compliance Certificates with an "Unqualified Opinion" following tax audits for the years 2015 to 2021, by a Certified Public Accountant. It should be noted that for the years 2016 and thereafter, tax audits and the issuance of Tax Compliance Certificates by Authorized Auditors are optional. However, both the Group and the Company have chosen to continue the tax audits by Certified Public Accountants, thus demonstrating their commitment to tax transparency in general. Finally, the Financial Management Department is responsible for ensuring the Company compliance with tax and other financial obligations to the competent authorities and government agencies.

**Fair Competition**

At the Company, ensuring a framework of healthy and fair competition constitutes an indisputable commitment explicitly defined in the approved Code of Business Ethics and Conduct. In this regard, the Company obliges its employees and associates to adhere to the rules of fair competition and not to deviate from them when acting on its behalf. Additionally, the Code includes examples of behaviors that constitute violations of competition law. Moreover, the management of the Company has issued a corporate " Competition Compliance Handbook", which is available on the Company website www.avax.gr. This handbook includes an overview of the rules of European and Greek Competition Law and provides guidelines for managing issues governed by these rules. The management of the Company is committed to complying with the provisions of competition law, while all personnel are required to be aware that any violation of the procedures or guidelines outlined in this Handbook will be treated very seriously. Lastly, the Company expects its private or public external collaborators, subcontractors, suppliers, and contractors across its entire range of activities and operations to act in their relationships based on the principles of justice, transparency, trust, honesty, and integrity. In fact, it is an absolute principle of its policy that any transactional relationship with collaborators, suppliers, consultants, subcontractors, and contractors who are found to engage in illegal or anti-competitive practices will be terminated. For this reason, it has a process of continuous and careful supervision of its relationships with the above-mentioned collaborators through its Legal Department.

**Calculation of Financial Metrics (KPIs)**

In this report, the percentages of the annual turnover from sales of products and services, capital (CapEx), and operational (OpEx) expenses corresponding to the economic activities of the Company that have been assessed as ineligible, eligible, or aligned for EU Taxonomy purposes are presented. This assessment is made based on the description of these activities and taking into account the corresponding NACE activity codes, as well as the relevant technical screening criteria as set out in Regulations 2021/2139/EU and 2022/1214/EU.

According to the implementing regulation on the disclosure of activities, companies are required to disclose what percentage of their actions meets the Taxonomy criteria or is aligned with them, compared to the overall scope of their actions. In this context, companies must disclose three basic measurable performance indicators: Turnover, Operating Expenses, and Capital Expenses. These three indicators, known as Key Performance Indicators (KPIs), are the main elements reflecting how companies' activities align with the environmental and Sustainable Development goals set by the EU Taxonomy.

Turnover KPI (%)

The percentage of turnover is calculated as the portion of net turnover derived from products or services, including intangible assets, related to activities aligned with the Taxonomy through the net amount of turnover.

The numerator and denominator are calculated based on the International Financial Reporting Standards (IFRS) 1 "Presentation of Financial Statements." Specifically, the total turnover of the Company is presented in the Income Statement for the year 2023.

$$\text{Turnover KPI} = \frac{\text{Net Turnover from services aligned with taxonomy}}{\text{Net Turnover}}$$

**Capital Expenditure Performance Indicator (%):**

The percentage of capital expenditure is calculated as the numerator divided by the denominator, as defined below:

The numerator covers additions to tangible and intangible assets during the fiscal year under review prior to depreciation and any revaluations, including those arising from adjustments and write-offs, for the relevant fiscal year and excluding changes in fair value, which are considered aligned based on the Taxonomy regulation and the relevant technical control criteria.

The denominator covers additions to tangible and intangible assets during the fiscal year under review prior to depreciation and any revaluations, including those arising from adjustments and write-offs, for the relevant fiscal year and excluding changes in fair value. The denominator also covers additions to tangible and intangible assets resulting from business combinations.

$$\text{Capital Expenditure Ratio}= \frac{\text{Eligible Capital Expenditures}}{\text{Total Capital Expenditure}}$$

Capital expenditure is calculated in accordance with applicable International Financial Reporting Standards (IFRS), namely: IAS 16 "Property, Plant and Equipment," IAS 38 "Intangible Assets," IAS 40 "Investment Property," and IFRS 16 "Leases."

The total capital expenditure of the Company is derived from the Cash Flow Statement for the year 2023.

**Calculation of Operating Expenses Ratio (%):**

The percentage of operating expenses is calculated by dividing the numerator by the denominator as defined below:

The numerator covers direct non-capitalized expenses related to research and development, building renovation measures, short-term leases, maintenance and repair, as well as any other direct expenses related to the daily maintenance of fixed assets by the enterprise or third party to which activities are assigned necessary for ensuring the continuous and efficient operation of these assets. The numerator includes activities deemed aligned with Taxonomy regulation and relevant technical control criteria.

The denominator covers direct non-capitalized expenses related to research and development, building renovation measures, short-term leases, maintenance and repair, as well as any other direct expenses related to the daily maintenance of fixed assets by the enterprise or third party to which activities are assigned necessary for ensuring the continuous and efficient operation of these assets.

$$\text{Operating Expenses Ratio}= \frac{\text{Eligible operating expenses}}{\text{Total operating expenses.}}$$

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The accounting principles related to the preparation of this report are presented in Section C of the Annual Financial Report for the Financial Year from January 1 to December 31, 2023.

**Total Results**

**Total Compliance Assessment Results with EU Taxonomy**

Following the completion of the eligibility and alignment assessment with Regulation (EU) 2020/852 for the EU Taxonomy for all activities of the Company, a brief description of the results of the above assessments follows.

**Overall Results of Key Performance Indicators (KPIs)**

In this section, the percentages of turnover, capital expenditure, and operational expenses for the eligible-aligned activities of the Company for the financial year 2023 are presented according to the EU Taxonomy. The overall results are summarized below.

**Turnover**

According to the KPI for turnover, 3.77% of the activities are eligible-aligned for 2023. Regarding the percentage of eligible-aligned activities of the Company, a significant increase is observed compared to 2022.

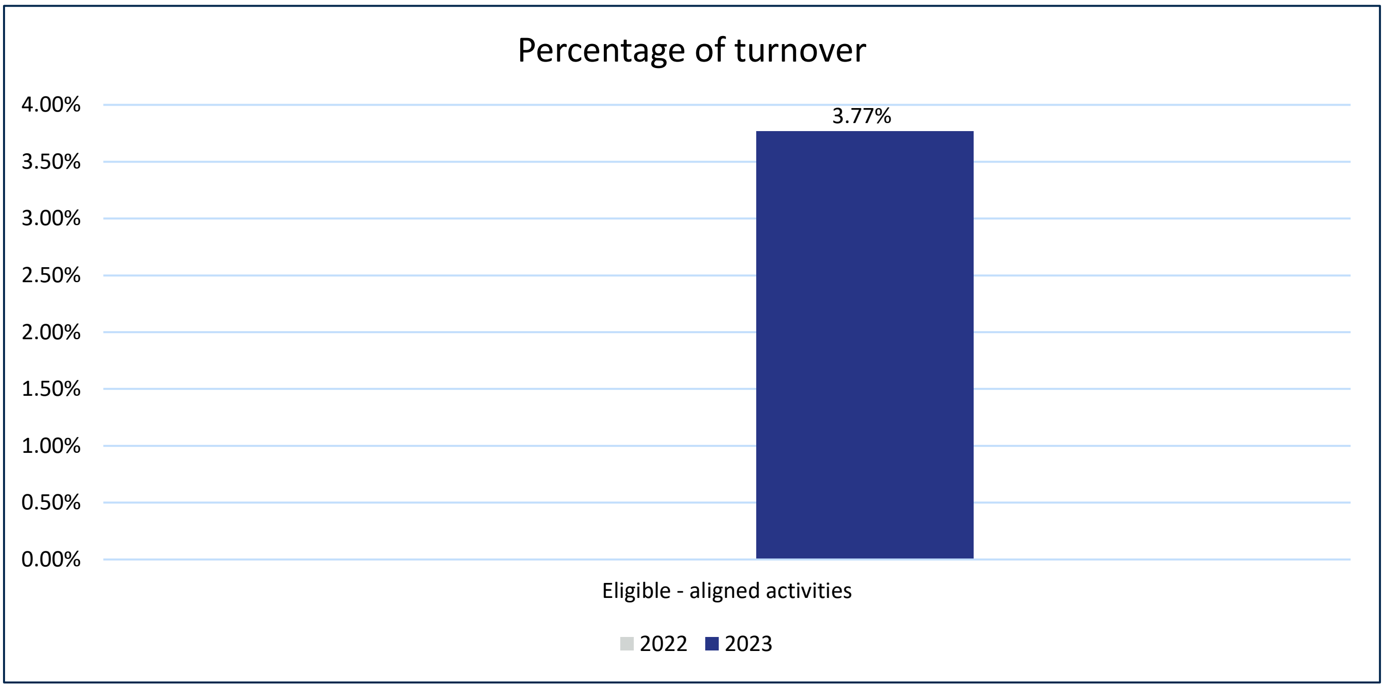



*Chart 9: Eligible activities as a percentage of turnover*

**Capital Expenditure**

According to the KPI for capital expenditure, 9.11% of the activities are eligible-aligned for the financial year 2023. The percentage of eligible-aligned activities has increased compared to the year 2022.

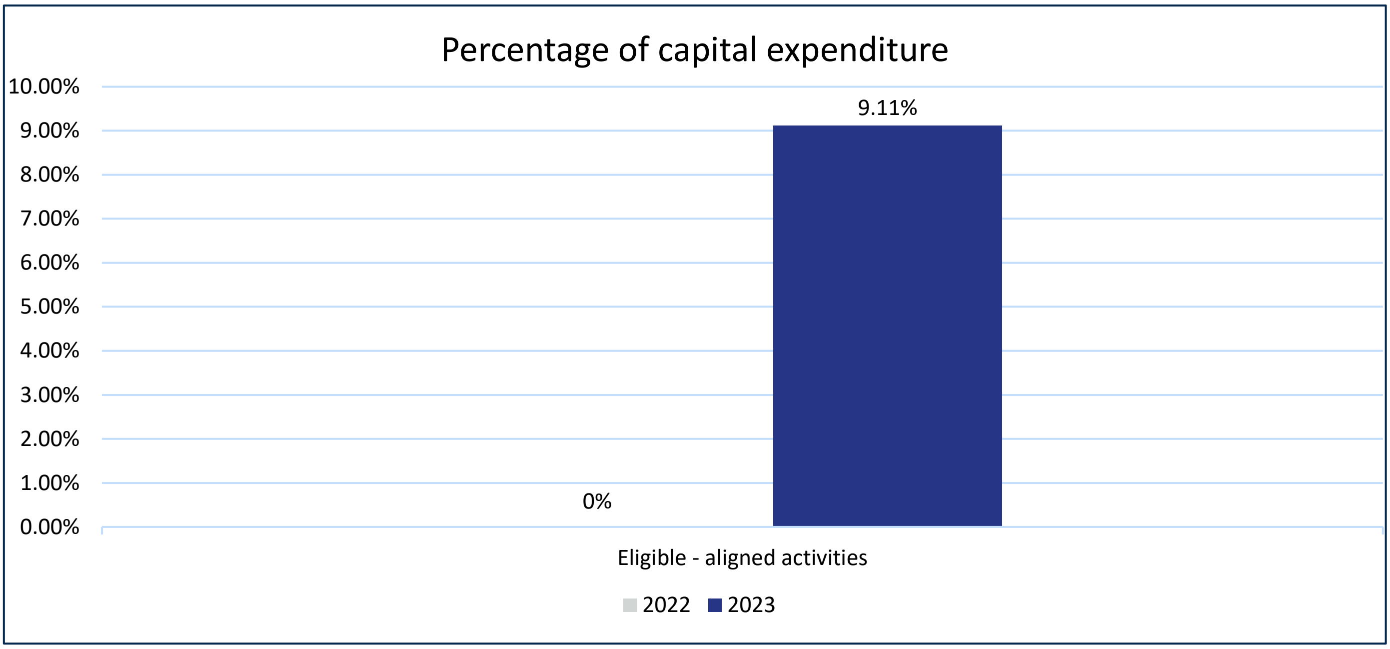



*Chart 10: Percentage of eligible activities as a percentage of capital expenditure*

**Operating Expenses**

Regarding the KPI for operating expenses, 0.25% of the activities are eligible-aligned for the year 2023.

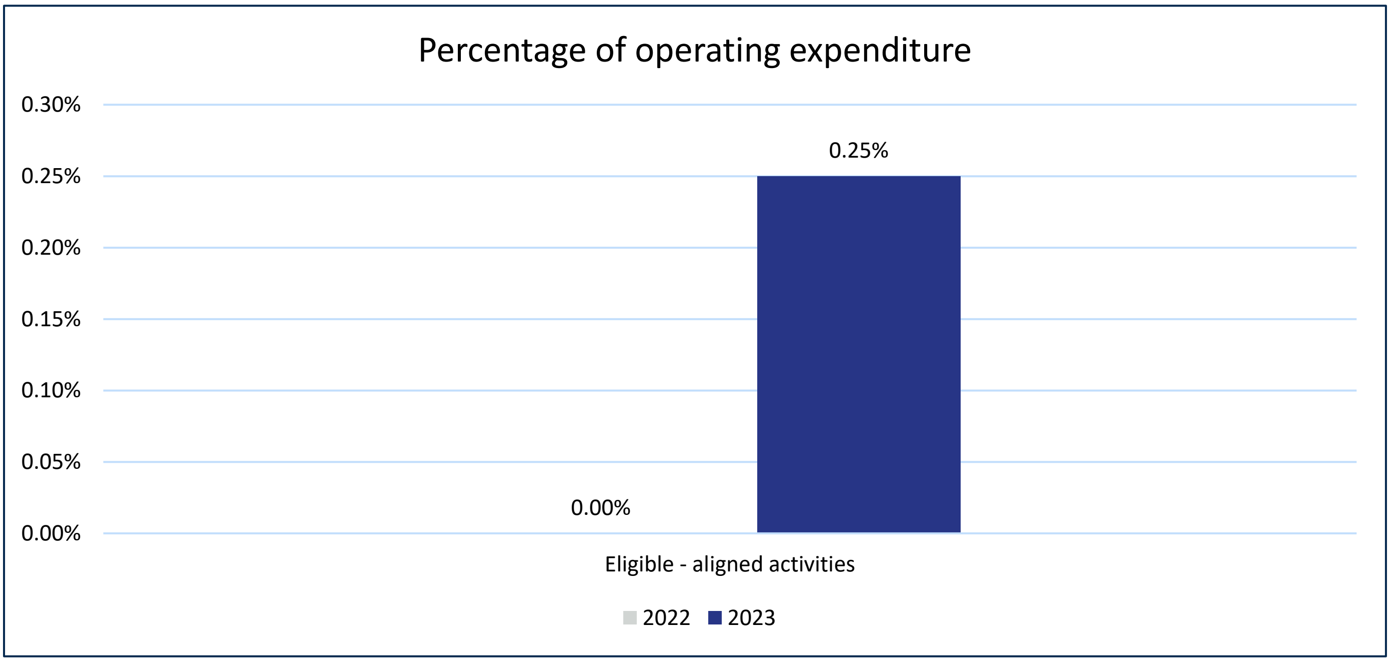



*Chart 11: Percentage of eligible activities in relation to Operating Expenditure*

For the fiscal year 2023, the Company revenue aligned with the Climate Change Mitigation (CCM) goal amounts to 3.77% of the total revenue. There were no revenue amounts aligning with other goals such as WTR, CE, PPC, and BIO for the year 2023.

The detailed information related to the disclosures of the three Key Performance Indicators (KPIs) is presented below.

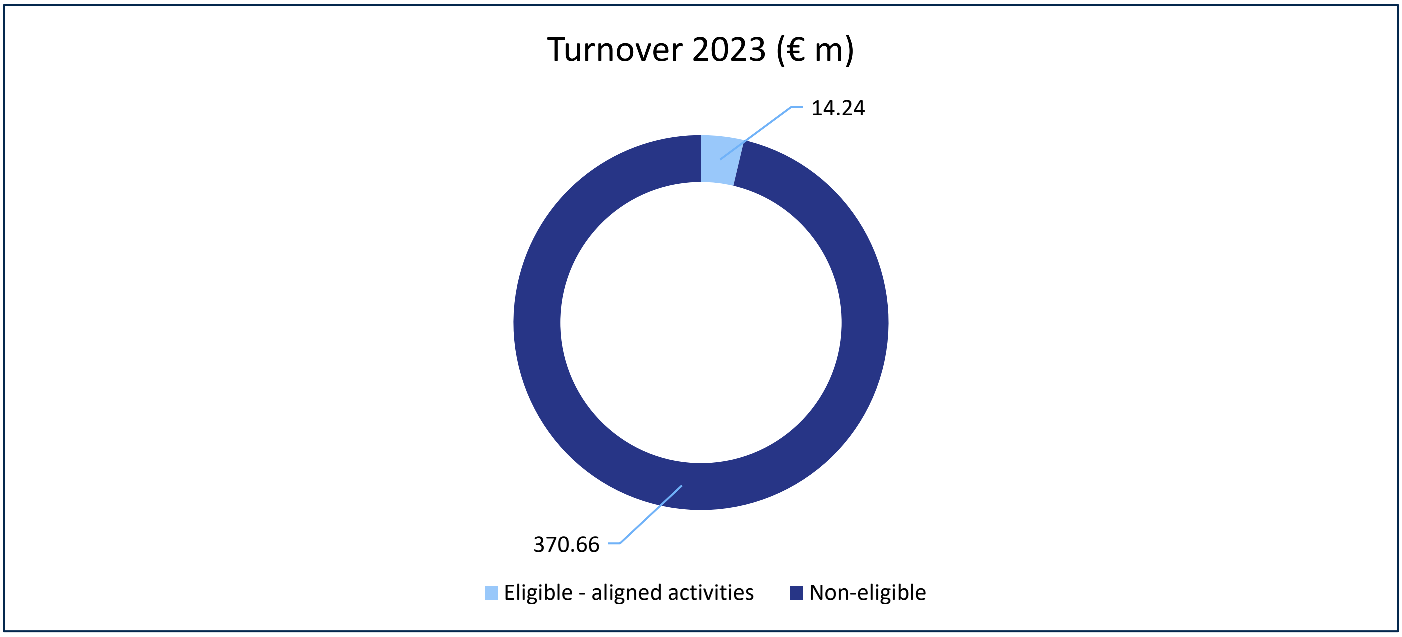



*Chart 12: AVAX turnover 2023*

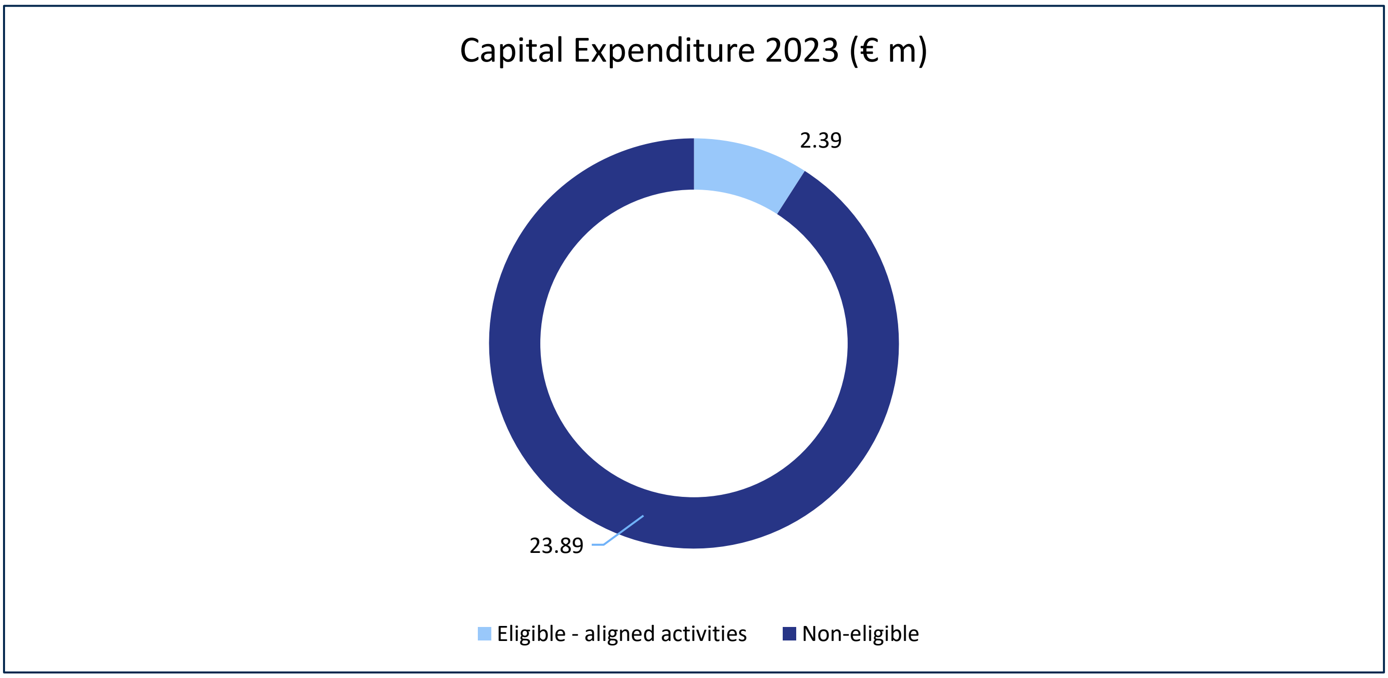



*Chart 13: AVAX Capital Expenditure 2023*

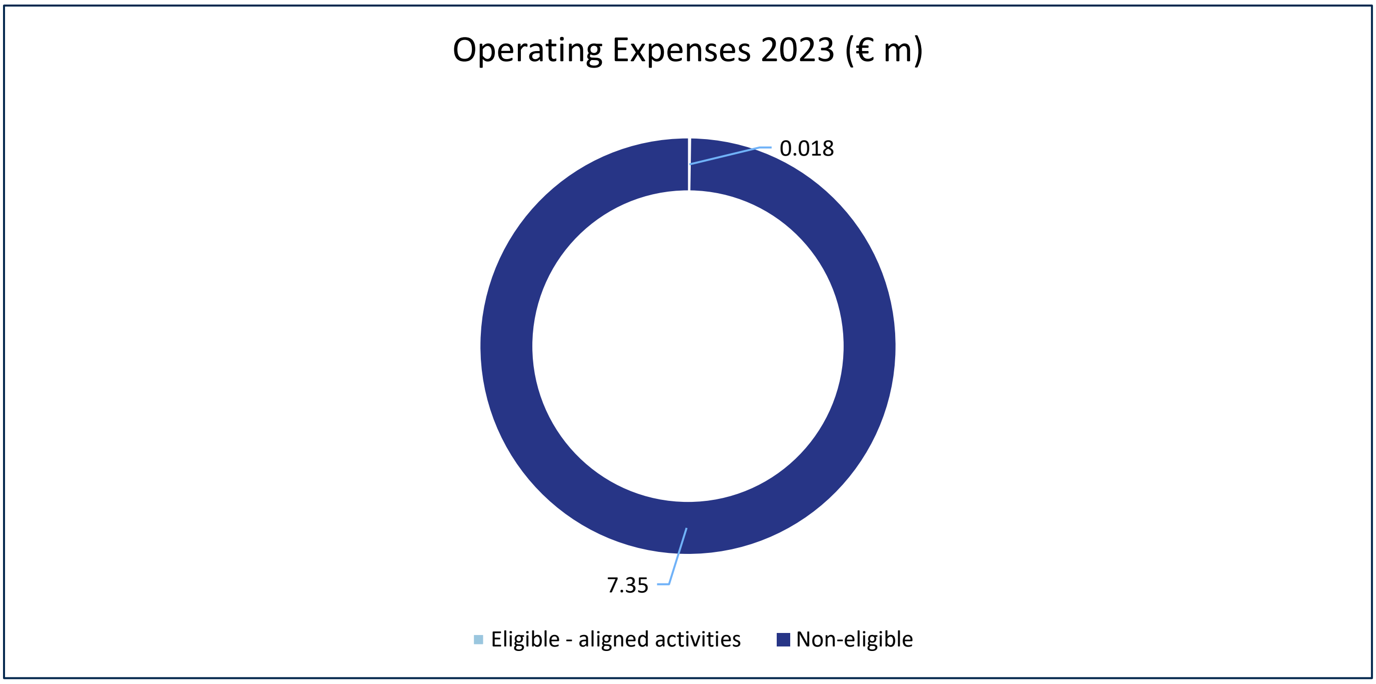



*Chart 14: AVAX Operating Expenditure 2023*

*Table 5:Percentage of turnover from products or services linked to economic activities aligned with the taxonomy*

| Economic Activities (1) | Code (2) | Absolute turnover (3) | Proportion of Turnover (4) | Substantial Contribution Criteria: Climate Change Mitigation (5)* | Substantial Contribution Criteria: Climate Change Adaptation (6) | Substantial Contribution Criteria: Water (7) | Substantial Contribution Criteria: Pollution (8) | Substantial Contribution Criteria: Circular Economy (9) | Substantial Contribution Criteria: Biodiversity and ecosystems (10) | DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation (11) | DNSH criteria ('Does Not Significantly Harm'): Climate Change Adaptation (12) | DNSH criteria ('Does Not Significantly Harm'): Water (13) | DNSH criteria ('Does Not Significantly Harm'): Pollution (14) | DNSH criteria ('Does Not Significantly Harm'): Circular Economy (15) | DNSH criteria ('Does Not Significantly Harm'): Biodiversity (16) | Minimum Safeguards (17) | Taxonomy aligned proportion of total turnover, year N (18)** | Category (enabling activity) (20) | Category (transitional activity) (21) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Text | | Millions, local CCY | % | % | % | % | % | % | % | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| A. TAXONOMY-ELIGIBLE ACTIVITIES | | | 3,70% | | | | | | | | | | | | | | | | |
| A.1. Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | |
| Construction, extension and operation of water collecti | | 0,00 | 0% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| Electricity generation from fossil gaseous fuels | | 13.384.000,00 | 3,48% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 3% | | T |
| Installation and operation of electric heat pumps | | 0,00 | 0% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| Installation, maintenance and repair of energy efficien | | 856.000,00 | 0,22% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | E | |
| Renewal of water collection, treatment and supply syst | | 0,00 | 0% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| **Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)** | | **14.240.000,00** | **3,70%** | **4%** | **0%** | **0%** | **0%** | **0%** | **0%** | **Y** | **Y** | **Y** | **Y** | **Y** | **Y** | **Y** | **4%** | **0%** | **3%** |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| | | | 0% | | | | | | | | | | | | | | | | |
| | | | 0% | | | | | | | | | | | | | | | | |
| **Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | **0,00** | **0%** | | | | | | | | | | | | | | | | |
| **Total (A.1+A.2)** | | **14.240.000,00** | **3,70%** | | | | | | | | | | | | | | | | |
| **B. TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **Turnover of Taxonomy-non-eligible activities** | | **370.662.050,00** | **96,30%** | | | | | | | | | | | | | | | | |
| **Total (A+B)** | | **384.902.050,00** | **100%** | | | | | | | | | | | | | | | | |

*Table 6: Percentage of capital expenditure on products or services linked to taxonomy-aligned economic activities*

| | | | | Substantial Contribution Criteria | | | | | | DNSH criteria ('Does Not Significantly Harm') | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic Activities (1) | Code (2) | Absolute CapEx (3) | Proportion of CapEx (4) | Climate Change Mitigation (5)* | Climate Change Adaptation (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity and ecosystems (10) | Climate Change Mitigation (11) | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | Taxonomy aligned proportion of total CapEx, year N (18)** | Category (enabling activity) (20) | Category (transitional activity) (21) |
| Text | | Millions, local CCY | % | % | % | % | % | % | % | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | **9,11%** | | | | | | | | | | | | | | | | |
| **A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Construction, extension and operation of water collecti | | 9.370,00 | 0,04% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| Electricity generation from fossil gaseous fuels (CapEx A | | 66.534,00 | 0,25% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | T |
| Installation and operation of electric heat pumps (CapE | | 109.470,00 | 0,42% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| Installation, maintenance and repair of energy efficien | | 2.190.387,00 | 8,33% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 8% | E | |
| Renewal of water collection, treatment and supply syst | | 19.453,00 | 0,07% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| **CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)** | | **2.395.214,00** | **9,11%** | **9%** | **0%** | **0%** | **0%** | **0%** | **0%** | **Y** | **Y** | **Y** | **Y** | **Y** | **Y** | **Y** | **9%** | **8%** | **0%** |
| **A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| | | | 0% | | | | | | | | | | | | | | | | |
| | | | 0% | | | | | | | | | | | | | | | | |
| **CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | **0,00** | **0%** | | | | | | | | | | | | | | | | |
| **Total (A.1+A.2)** | | **2.395.214,00** | **9,11%** | | | | | | | | | | | | | | | | |
| **B. TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **Capex of Taxonomy-non-eligible activities** | | **23.898.933,00** | **90,89%** | | | | | | | | | | | | | | | | |
| **Total (A+B)** | | **26.294.147,00** | **100%** | | | | | | | | | | | | | | | | |

*Table 7: Percentage of operating expenditure from products or services linked to economic activities aligned with the taxonomy*

| | | | | Substantial Contribution Criteria | | | | | | DNSH criteria ('Does Not Significantly Harm') | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic Activities (1) | Code (2) | Absolute OpEx (3) | Proportion of OpEx (4) | Climate Change Mitigation (5)* | Climate Change Adaptation (6) | Water (7) | Pollution (8) | Circular Economy (9) | Biodiversity and ecosystems (10) | Climate Change Mitigation (11) | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | Taxonomy aligned proportion of total OpEx, year N (18)** | Category (enabling activity) (20) | Category (transitional activity) (21) |
| Text | | Millions, local CCY | % | % | % | % | % | % | % | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | **0,25%** | | | | | | | | | | | | | | | | |
| **A.1. Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Construction, extension and operation of water collecti | | 0,00 | 0% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| Electricity generation from fossil gaseous fuels (OpEx A | | 18.652,00 | 0,25% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | T |
| Installation and operation of electric heat pumps (OpEx | | 0,00 | 0% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| Installation, maintenance and repair of energy efficien | | 0,00 | 0% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | E | |
| Renewal of water collection, treatment and supply syst | | 0,00 | 0% | 100% | 0% | 0% | 0% | 0% | 0% | | Y | Y | Y | Y | Y | Y | 0% | | |
| **OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)** | | **18.652,00** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **Y** | **Y** | **Y** | **Y** | **Y** | **Y** | **Y** | **0%** | **0%** | **0%** |
| **A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | | | | | | | | | | | | | | | | |
| | | | 0% | | | | | | | | | | | | | | | | |
| | | | 0% | | | | | | | | | | | | | | | | |
| **OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | **0,00** | **0%** | | | | | | | | | | | | | | | | |
| **Total (A.1+A.2)** | | **18.652,00** | **0,25%** | | | | | | | | | | | | | | | | |
| **B. TAXONOMY-NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **OpEx of Taxonomy-non-eligible activities** | | **7.352.769,00** | **99,75%** | | | | | | | | | | | | | | | | |
| **Total (A+B)** | | **7.371.421,00** | **100%** | | | | | | | | | | | | | | | | |

**K. Corporate Governance Report**

**CONTENTS**

**Introduction**

The term "Corporate Governance" describes the means by which companies are managed and controlled. It refers to a set of relations between the Company management, its Board of Directors, its shareholders and other interested parties. Corporate governance is the structure used to approach and set corporate targets, identify the main risks concerning its operations, define the means to achieving corporate targets, set up the risk management system and enable the monitoring of the management's performance and effectiveness in dealing with all the afore-mentioned issues.

Effective corporate governance plays a meaningful and primary role in promoting competition among businesses and strengthening the internal structure of their operations. The increased transparency resulting from effective corporate governance helps improve overall economic activity in a corporation, to the benefit of its shareholders and other stakeholders.

This Corporate Governance Report is a special section of the Annual Report of the Board of Directors, in accordance with article 152 of Law 4548/2018 and paragraph 3 of article 18 of Law 4706/2020.

The Company has adjusted its Corporate Charter to comply with Greece's key Corporate Law 4548/2018.

**1. Code of Corporate Governance**

The Company complies with the principles of corporate governance, as outlined in pertinent legislation (article 37 of Law 3693/2008, article 152 of Law 4548/2018 and its amendments, and Law 4706/2020).

*1.1 Disclosure of compliance of the Company with corporate governance practices described in its Code of Corporate Governance*

This Statement concerns the entire set of principles and practices observed by the Company in accordance with Law 3873/2010 and article 152 of Law 4548/2018.

The Company voluntarily endorses the corporate governance practices outlined in its Code of Corporate Governance, accessible at its website www.avax.gr. The Company has adopted the revised Code of Corporate Governance published in 2021 by Greece's Federation of Enterprises in association with the Greek Corporate Governance Council.

The legal framework of AVAX's Code of Corporate Governance mostly includes the following:

i. Law 3693/2008 which enforced the setup of audit committees and corporate disclosure of sensitive information regarding the ownership status and governance of companies
ii. Law 3873/2010 which put in effect the European Directive #2006/46/EC, acting as a reminder for the need to adopt a Code of Corporate Governance and becoming the main pillar of that Code
iii. Law 3884/2010 and Law 4548/2018 on shareholder rights and additional obligations regarding corporate disclosure to shareholders in the run-up to General Meetings of shareholders

iv. Law 4548/2018 which updated the obligations of listed companies and the functioning of various administrative committees, along with the disclosure of the Remuneration Report
v. Law 4706/2020, focusing on the qualitative aspect of Board members in listed companies, and introducing a series of statutory documents and administrative committees

Through its Code of Corporate Governance, the Company meets all relevant legal obligations and develops a corporate culture which rests upon the principles of business ethics as well as the protection of the interests of shareholders and all interested parties.

*1.2 Derogations from the Code of Corporate Governance and justification for those derogations. Special clauses of the Code not applied by the Company and justification for not applying them*

In accordance with article 152 of Law 4548/2018 currently in effect, a very important aspect of the Code of Corporate Governance is the adoption of the standard for justification of non-compliance of the Company with specific areas of its Code of Corporate Governance. Pertinent legislation and the Company-adopted Code follow the approach of “comply or explain” and require either the compliance with the Code of Corporate Governance in its entirety or the detailed analysis of areas of the Code where the Company derogates from, along with the justification for this derogation.

In relation to the practices and principles of the Company’s Code of Corporate Governance, the following are the existing derogations and their respective justifications:

i. *Ensuring diversity criteria among senior management, with appropriate targeting and timing*

Senior executives are meant to help the Company fulfil its purposes and service of its needs. Given that the Company is predominantly active in the construction industry, the selection of appropriate executives with qualifications and experience in undertaking, managing and executing technical projects, is based on knowledge, specialisation, skills and perception and not dependent on their gender as required by diversity criteria. Therefore, there can be no targeting and timeline for achieving the above criteria. Nevertheless, during the selection of such executives, the company observes the best possible balance of diversity criteria, as required by law and formal and substantive qualifications.

ii. *Ensuring sufficient time availability for the members of the Board of Directors to perform their duties, placing a restriction on the participation in the administrative bodies of other unrelated companies*

The election of the Company’s Board members is based on their knowledge and experience, as well as their familiarity with the Company’s line of business. The exercise of their duties as well as the provision of their services in managing the company is a primary priority and takes place unhindered and unaffected by any participation in the management bodies of unrelated companies.

*1.3 Corporate governance practices applied by the Company in excess of legal requirements*

The corporate governance practices applied by the Company are in line with pertinent legislation and outlined in its Code of Corporate Governance. The Company has segregated the duties of its Board Chairman from those of the Managing Director and applies an integrated system of internal auditing in accordance with international standards and the regulatory framework in effect.

It has also introduced a Code of Conduct and an Internal Operating Charter to apply the standards of modern corporate governance and effective Internal Auditing. The Audit Committee and the Remuneration & Nomination Committee have prepared their own Operating Policy.

The composition of the Board of Directors meets the requirement for a minimum 25% representation of each gender in the total number of Board members, as per article 3 of Law 4706/2020.

In line with Law 3016/2002 and 4706/2020, at least two non-executive Board members need also be “independent”. The Company’s Board of Directors comprises 10 members, including five non-executive members, four of which are also Independent.

Company Board members are elected for a three-year term.

*1.4 Application of Law 4548/2018 regarding Remuneration Policy and Remuneration Report*

In compliance with Law 4548/2018, the Company has adopted an official Remuneration Policy for the members of its Board of Directors. The initial version of that Remuneration Policy was approved by shareholders at the Annual General Meeting held on 01.09.2020, and the Annual General Meeting in June 2023 approved its updated version.

The Company prepares an annual Remuneration Report which is introduced for discussion as an agenda item at the annual general meeting. The Remuneration Report contains an overview of all types of remuneration of board members in accordance with pertinent legislation and the approved remuneration policy.

*1.5 Board Directors’ Suitability Policy*

The Company issued a Suitability Policy for its executive members, in accordance with the provisions of article 3 of Law 4706/2020 and Circular 60/18.09.2020 of Greece’s Capital Market Commission, which was approved by the shareholders at the Annual General Meeting of 24.06.2021. The Policy provides the guidelines on the set of principles and criteria that apply as a minimum in the selection, replacement and renewal of the term of office of the members of the Board, in the context of the assessment of individual and collective suitability. The Suitability Policy aims to ensure the quality staffing, efficient operation and fulfilment of the role of the Board of Directors based on the overall strategy and the medium-term business aspirations of the Company in order to promote the corporate interests.

*1.6 Report of Independent Board Directors to Shareholders at the Annual General Meeting*

The independent non-executive members of the Board of Directors of the Company submit a Report to the Annual General Meeting of Shareholders, starting from the year 2021 according to the requirement of Law 4706/2020 (article 9 paragraph 5).

This report expresses an opinion on the quality characteristics of the management exercised by the executive members of the Board of Directors, in terms of implementing good corporate governance practice and safeguarding the interests of shareholders, as well as other internal and external stakeholders. Also, there is an opinion on the completeness and correctness of the content of the Management Report of the Board of Directors and the Corporate Governance Statement which are included in the Annual Financial Report.

*1.7 Internal Operating Charter*

The Company has approved an Internal Operating Charter to ensure its efficient and correct operation, in line with article 37 of Law 3693/2008, article 152 of Law 4548/2018, and mainly of Law 4706/2020 for corporate governance, coupled with the decisions of the Hellenic Capital Market Commission on companies listed on the Athens Stock Exchange and the principles set by the Company's Board of Directors. The Internal Operating Charter includes the description of the Company's management committees, their membership and responsibilities, as well as the description of the organisational structure of the administrative services reporting to Company management and their responsibilities. It also includes the procedures for hiring and evaluating the performance of the Company's executives, as well as the basic principles of operation of the internal auditing unit and the code of transactions on Company securities. The Internal Operating Charter is posted on the Company's website www.avax.gr

**2. Board of Directors**

*2.1 Membership and functioning of the Board of Directors*

The Company’s Board of Directors was elected for a 3-year term on 24.06.2021, ie until 24.06.2024, comprising the following members as of 31.12.2023:

| | | |
|---|---|---|
| 1 | Christos Joannou | Chairman, Executive Member |
| 2 | Konstantinos Kouvaras | Deputy Chairman & Executive Member |
| 3 | Aikaterini Pistioli | Vice Chairman, Non-Executive Member |
| 4 | Konstantinos Mitzalis | Managing Director |
| 5 | Konstantinos Lysaridis | Executive Member |
| 6 | Antonis Mitzalis | Executive Member |
| 7 | Christos Siatis | Independent, Non-Executive Member |
| 8 | Alexios Sotirakopoulos | Independent, Non-Executive Member |
| 9 | Michael Hatzipavlou | Independent, Non-Executive Member |
| 10 | Theodora Monohartzi | Independent, Non-Executive Member |

The Board of Directors included 10 members as of 31.12.2023, of which five were Executive, one was Non-Executive and four were Independent, Non-Executive.

- Members 1 (Chairman), 2 (Deputy Chairman, 4 (Managing Director), 5 (Member) and 6 (Member) are Executive

- Member 3 (Vice Chairman) is Non-Executive
- Members 7 to 10 are Independent & Non-Executive
- Members 1, 2, 4 and 5 participate in the Corporate Planning and Risk Management Committee
- Members 3, 7 and 8 participate in the Audit Committee
- Members 3, 9 and 10 participate in the Remuneration & Nomination Committee
- Member 6 participate in the ESG Committee

The authority of executive Board members is specified and described in relevant official minutes of a Board meeting.

Non-executive and independent Board members are assigned the task of supervising corporate activities. Those Board members are seasoned professionals from the business and academic community with both local and international work experience, selected on the basis of their education and social status. To that extent, those Board members are perfectly suited to have an unbiased and all-round understanding of business affairs and express objective views on them.

Acting collectively, the Board of Directors manages and handles all corporate affairs. It decides on all issues concerning the Company and acts accordingly, except for those issues and actions where jurisdiction rests with the General Assembly of Shareholders, in line with legislation or the Company Charter.

Collective action by the Board of Directors is required in the following cases:

- Actions required by Law to be taken collectively by the Board of Directors
- The sale or offer of Company shares, the acquisition of other businesses or proposals for merger with other businesses
- The sale or acquisition by the Company of assets (either current or fixed) worth at least €1,000,000
- Signing contracts or entering obligations worth at least €3,000,000
- The provision of loans, credit or other financial facility, guarantee, compensation or other insurance to third parties, either legal entities or individuals, outside the ordinary course of the Company business worth at least €3,000,000, as well as the provision of trading credit valued at a minimum of €3,000,000 to clients outside the normal Company policy.
- Signing loans worth at least €3,000,000
- The acceptance of encumbrances on Company assets valued at a minimum of €3,000,000
- Changes in accounting policies already adopted by the Company
- Signing contracts or significantly amending signed contracts, or signing contracts with non-commercial terms worth at least €3,000,000

The Board of Directors issues an annual report outlining the Company's transactions with related parties. This report is submitted to the supervising authorities.

The Board of Directors reserves the right to take special decisions on delegating all or part of its authority and powers stated in the Company Charter and the Corporate Law, to grant specific members of the Board of Directors or other Company employees or third persons, acting either on their own or jointly, specific rights of representation of the Company.

All practices governing the role and jurisdiction of the Board of Directors are included in the Company Code of Corporate Governance.

The Board of Directors of the Company reviews at least once per financial year the fulfilment of the conditions of independence of its independent non-executive members, as per paragraph 1 of article 9 of Law 4706/2020. In particular, members of the Board of Directors are considered independent if at the time of their appointment and during the term of their office do not directly or indirectly hold a percentage of voting rights greater than 0.5% of the Company's share capital and do not have any financial, business, family or other type of relations which may influence their decisions, independent and objective judgment. If during the control of the fulfilment of the conditions of Law 4706/2020, or at any time it is ascertained that the conditions have ceased to exist for an independent non-executive member, the Board of Directors takes the appropriate actions to replace that member. These conditions were met for the 4 independent, non-executive members of the Board of Directors of the Company since their appointment as independent, non-executive members after their election in June 2021, and continue to be met until the date of publication of this Report.

*2.2 Information on the members of the Board of Directors*

**Christos Joannou** : Born in 1972 in Nicosia, Cyprus. Graduated from Athens College in 1990, received his BA degree in Mathematics from Cornell University in 1994 and his MBA from the MIT Sloan School of Management in 1998. He is also Chairman of Donkey Hotels and a member of the Chancellor’s Court of Benefactors at Oxford University and the MIT Sloan Executive Board

**Konstantinos Kouvaras** : Born in Arta, Greece, he is a civil engineer with long experience in large projects since 1968.

**Aikaterini Pistioli** : Born in 1971 in Athens, Greece. Graduated from Athens College In 1990, received her degree in Electrical Engineering (Dipl.Ing.) from the Technical University of Munich (TUM) in 1996. From 1996 to 1998 she worked as an engineer at PHILIPP HOLZMAN AG in Berlin. Since 1998, returning to Greece, she has worked on a variety of PYRAMIS SA projects, participating in the Board of Directors as Chairman and CEO from December 2016 until today. She also participates in the Boards of Directors of AVAX SA and GREEN TOP Energy SA.

**Konstantinos Mitzalis** : He is a civil engineer with long experience in large projects. Former major shareholder of subsidiary ETETH SA, in which he is Board Chairman and Managing Director since 1978. Born in Salonica, Greece.

**Konstantinos Lysaridis** : He is a a civil engineer (graduated in 1968) with long experience in large projects. Former senior executive of subsidiary ETETH SA since 1970, in which he is Vice-Chairman. Born in Salonica, Greece.

**Antonis Mitzalis** : Born in Salonica, Greece in 1984. He is a civil engineer. Works for the AVAX group since September 2009. Member of the Board of Directors of subsidiary ETETH SA since August 2014. Holder of a BEng in Civil Engineering from the University of East London and an MSc in Structural Engineering from the University of Surrey.

**Christos Siatis** : He has substantial experience as a senior executive at international auditing firms, with expertise in auditing and operational and financial corporate restructuring.

**Alexios Sotirakopoulos** : He is a Lawyer, member of the Athens Bar Association, a graduate of the Law School of the University of Athens, specializing in Commercial Law and in particular Corporate Law.

**Michael Hatzipavlou** : He is a graduate economist at the London School of Economics, Certified Auditor of England & Wales (FCA), has a CFA distinction from the same Institute and is a member of the Board of Certified Auditors-Accountants of Greece (SOEL). Founding member and former Chairman / CEO of Deloitte Greece, he started his career in Greece with the Auditing Department and then proceeded to the creation and development of the Management Consulting Department and the Financial Advisory Department of the company. He was a certified auditor in various companies & banks, responsible for consulting projects on corporate governance, business organization & restructuring, in more than 150 valuations of banks & companies, as well as in numerous acquisitions & mergers. Since 2016 he is CEO of Fukuro Capital Advisors Ltd, advising mainly foreign investors, while he was Chairman of the Board at Athens-listed Trastor REIT and Alpha TV Cyprus.

**Theodora Monohartzi** : She is a lawyer, Greek citizen, studied at the Law School of the University of Athens, graduating in 1988. During 1988-1990 she completed postgraduate studies and received a Master's degree from the University of Hannover, Germany, specialising in European Corporate and Labour Law, while her master's thesis was on Labour Law and, in particular, a comparative study of strike law within Europe. Since 1990 she is an Athens lawyer, a member of the Athens Bar Association, specializing in Civil, Corporate, Labour, Banking Law as well as Energy Law, also resolving disputes related to complex legal issues on corporate matters. She is a partner in "Sarantitis Law Firm" since 2004, whereas she was an associate in "Sarantitis & Associates" between 1991 and 2004. She has headed the Dispute Resolution Department of the law firm for a number of years, and has handled important cases of individuals and large groups as a lawyer before the Supreme Court since 1999. She is the head of the Energy Law Department at the law firm, acting as a legal advisor to companies and joint ventures developing projects related to renewable energy sources.

The afore-mentioned CVs demonstrate that the composition of the Board of Directors of the Company reflects the knowledge, skills and experience required to exercise its responsibilities, in accordance with the approved Fitness Policy and the business model and strategy of the Company.

*2.3 Information on Company executives*

**Panagiotis Anagnostou**, Technologies and Systems Director

Born in Chicago, USA in 1977. Holds an HND in Computer Systems from Highbury College, a BSc in Computer Science Engineering from the University of Sunderland and an MBA in Information Systems Management from the Institut Universitaire Kurt Bosch. Working for the AVAX group since 1996. He is Director of Technologies and Systems since 2020.

**Athena Eliades**, Group Financial Management Director

She is a graduate of the Department of Chemistry of the National University of Athens, an MBA in Business Administration and holds the professional titles of Charter Certified Accountant (FCCA), Certified Internal Auditor (CIA) and Certified Data Protection Officer (TLIV AUSTRIA), Certified IFRS (ACCA-SOEL), Certified IFRS (ICAEW). She is a licensed Certified Public Accountant (SOEL), has a certificate of Practice of Accounting and Auditing Profession of Cyprus (SELK), and is a member of the Hellenic Institute of Internal Auditors (NHRF). Participated as a speaker in seminars and conferences in Greece & Cyprus. In 1984, she began her career in Cyprus as Quality Control Manager and then as Production Manager in a large dairy industry. In 1992 she continued in Greece as an auditor and consultant in Audit firms, and as CFO in credit institutions until 1998, when she joined the AVAX Group as CFO. She is a Board member in Group companies in Greece and abroad. She was a project manager in the implementation of an integrated ERP application in the construction industry, has dealt in detail with corporate governance, procedures, control systems and Internal Audit services for the interior, but also abroad, Europe and the Middle East. Also, in 2008 - 2009 she was an advisor to the Ministry of Finance on issues of organizing an Internal Audit service in public entities.

**Demosthenes Katsigiannis**, Head of the Office of the Managing Director

He is a Civil Engineer, NTUA graduate and holds an MBA from Strathclyde Business School. Since 1994 he has been employed in the construction sector, with the construction and supervision of technical projects, while he was General Secretary of Environment (2004-2006) and General Secretary of Public Works (2006-2009). He has been working for the AVAX group since 2009, and is heading the Office of the Company's CEO since 2020.

**Roi Konstantarou**, Head of Quality - Health and Safety - Environment and Sustainable Development

She holds a B.Sc. Civil Engineer degree and for the last 20 years works for the AVAX SA group as Director of Quality Management-Safety and Health-Environment and Corporate Social Responsibility. The department takes care of the preparation and the support of the implementation of procedures for projects, from bid preparation, to construction and up to final delivery to clients. The procedures concern methodologies of Quality Control (Quality Plans), implementation and monitoring of Safety and Health Measures (Safety Plans / Risk Assessments), monitoring and support of Environmental Plans (Environmental Plans / Risk Assessments), as well as relevant licenses. She also deals with the organization and implementation of the CSR programs of AVAX SA, adopting best practices related to people, society, the market and the environment. The department is also involved with issues of Sustainable Development within the framework of the ESG operated by the group as well as the support of the implementation of LEED, BREEAM, Estidama etc systems during project construction. This activity concerns the entire range of operations of the AVAX group, in domestic and international operations.

**Katerina Mantzorou**, Human Resources & Administration Director

Born in Athens, she holds a degree in Business Administration (BSc) in Marketing Management from the University of Piraeus and an MBA in Human Resources from the University of Leicester. Having started her professional career in 1999, she has been an executive in large Greek and multinational companies such as Toyota Hellas SA, First Data Hellas SA, Unify Enterprise Communications SA-ATOS and Retail World SA, gaining extensive experience and expertise as a Head of HR at a global or local level. From July 2023, she is Director of Human Resources of the AVAX Group, her main concern being the proper and modern operation of the HR Department.

**George Papageorgiou**, Head of Concessions / PPPs

He is a Certified Civil Engineer, graduate of the Athens Polytechnic School, a member of Greece's Technical Chamber since 1982 and has many years of experience in the management of large projects, in real estate development and management, in human resources management and financial administration. He has been an executive of "AEGEK" and "AVAX", where he was also a member of the Board of Directors for 15 years (1986-2001), CEO of the "Astir Palace Vouliagmenis" hotel complex (2001-2003), CEO of "PROET " subsidiary of "J&P AVAX" (2003-2004) and Vice Chairman of the Board of Directors of "J&P Development". From October 2004 to March 2010, he served in "Lamda Development" as General Manager of Real Estate Development (2004-2006), as General Manager (2006-2009) and as Executive Chairman of the Board (2009-2010). At the same time, he was Vice-Chairman of the Board of Directors and Member of the Investment Committee of Eurobank Properties. From July 2010 until today he is the CEO of "Task AVAX", a subsidiary of the AVAX Group providing integrated Facility Management services, and Head of the Group's Concession Contracts/PPP Sector since November 2020.

**Cleopatra Papastamatiou**, Head of Legal Service Lawyer

Graduate of the Law School of the National University of Athens. Registered with the Athens Bar Association since 1988. She has worked as a freelance lawyer and a legal advisor to construction companies since 1989. Has remarkable experience in company law, commercial law, public works and procurement law. Languages: English.

**Nikolaos Rigopoulos**, Infrastructure and Building Projects Director

He has a degree in Civil Engineering and is a member of Greece's Technical Chamber since 1980. Working at AVAX since 1988. He is mostly involved in public works, metro projects, as well as projects towards the Egnatia Motorway and the Greek railways, initially as a site director and later on as a project manager. He heads the department for infrastructure and building projects since 2020.

**George Rousopoulos**, Energy & Industrial Projects Director

He is a Mechanical Engineer, a graduate of the Aristotle University of Thessaloniki, holder of MSc degrees in Energy Systems and Thermal Processes from Cranfield University and an MBA from the Athens University of Economics and Business. He is active in construction and supervision of energy and industrial projects since 2005. He has been working for the AVAX group since 2007, initially as a Project Engineer, then as a Project Manager and in 2023 he was appointed Director of the Energy and Industrial Projects Department.

**George Tasakos**, Network Projects Director

He has a degree in Civil Engineering and is a member of Greece's Technical Chamber. Working at AVAX since 1995 as a Project Engineer. He was appointed Technical Director in 1997, Director of Natural Gas Projects in 2000 and is Director of Network Projects since 2020, participating in the construction of respective projects. He heads the department for energy and hydraulic projects since 2002. Between 2016 and 2020 he participated in the Board of Directors of BONATTI J&P AVAX Srl, which carried out the construction of sections 2 & 3 of the TAP gas pipeline.

*2.4 Strategic Planning & Risk Management Committee (Executive Committee)*

The Corporate Planning and Risk Management Committee comprises the following four (4) executive members of the Board of Directors of the Company.

| | | |
|---|---|---|
| 1 | Konstantinos Kouvaras | Chairman |
| 2 | Konstantinos Mitzalis | Member |
| 3 | Konstantinos Lysaridis | Member |
| 4 | Christos Joannou | Member |

The Board of Directors is authorised to decide on changes in total membership and replacement of members of the Corporate Planning and Risk Management Committee. Decisions by the Corporate Planning and Risk Management Committee are taken by absolute majority among its members.

The term of the Corporate Planning and Risk Management Committee coincides with the term of the Board of Directors. Therefore, the term of the afore-mentioned members of the Corporate Planning and Risk Management Committee is three-year and ends on 24.06.2024.

Responsibilities of the Corporate Planning and Risk Management Committee:

- Overall Company strategy and business plans
- Expansion into new business areas or countries where the Company has no presence
- Acquisitions and mergers
- Deciding the dividend policy
- Preparation and updating of the Company organisation chart and submission to the Board of Directors for approval
- Changes at senior director level (ie directors directly answerable to the Managing Director) following a proposal by the Managing Director
- Periodic assessment of Company operations and achievement of targets set through investment and business plans, and implementation of any necessary corrective decisions and actions
- Decision-making on all issues transferred to the Committee by the Board of Directors or the Managing Director or executive Board members
- Any authority transferred specifically through decisions of the Board of Directors

- Submission of proposals for setting the Company's objective targets and business risks towards action plans and performance checks
- Preparation and updating of the Company's Code of Conduct and its submission for approval by the Board of Directors
- Any changes in the regulation of operations of the Corporate Planning and Risk Management Committee are prepared and approved by decision of the Board of Directors

*2.5 Audit Committee*

The Audit Committee comprised the following members, as of 31.12.2023:

| | | | |
|---|---|---|---|
| 1 | Christos Siatis | Chairman | Independent, Non-Executive Board Director |
| 2 | Aikaterini Pistioli | Member | Non-Executive Board Director |
| 3 | Alexios Sotirakopoulos | Member | Independent, Non-Executive Board Director |

The General Shareholders Meeting held on 24.06.2021 appointed the members of the Audit Committee for a three-year term, in accordance with article 44 of Law 4449/2017. Its wide-ranging auditing authorities cover the supervising of the operation of the Company's Internal Auditing Department, which is hierarchically answerable upon it, and the monitoring of the effective operation of the internal auditing system.

It is therefore evident that the members of the Audit Committee have sufficient knowledge on the Company's line of business, while Chairman Mr Siatis has undoubted experience in auditing and accounting. His curriculum vitae may be found on the Company website www.avax.gr

The Audit Committee's duties and authority, as well as its operation charter, are detailed in the Code of Corporate Governance, which may accessed at the Company website www.avax.gr

According to Law 4449/2017 "Compulsory audit of annual and consolidated financial statements, public supervision on audit work and other provisions", members of the Audit Committee are non-executive, while the supervisory role on the Audit Committee is carried out by the Capital Market Commission. The Company immediately took all required steps to comply with the new law.

The Audit Committee meets at least four times per annum to monitor the operations and evaluate the Internal Auditing System and the Company's risk management function, also holding extraordinary meetings whenever deemed necessary.

Meetings of the Audit Committee with the Company's Internal Auditor may be jointly attended by the appointed external chartered accountants/auditors.

*2.6 Remuneration & Nomination Committee*

The Company set up a joint Remuneration & Nomination Committee, in line with article 10 of Law 4706/2020, which comprised the following members, as of 31.12.2023:

| | | | |
|---|---|---|---|
| 1 | Michael Hatzipavlou | Chairman | Independent, Non-Executive Board Director |
| 2 | Aikaterini Pistioli | Member | Non-Executive Board Director |
| 3 | Theodora Monohartzi | Member | Independent, Non-Executive Board Director |

2.7 Project Bidding Committee

The Company introduced a three-member Project Bidding Committee, in line with the provisions of its Corporate Charter, article 87 of Law 4548/2018 and best practice principles and corporate governance rules. The committee works towards the effective operation of the Company's institutional bodies and the application of all principles, technical and organizational measures and procedures adopted by the Company to comply with regulations, including competition rules.

The Board of Directors granted the Project Bidding Committee all powers of administration and representation of the Company in relation with tenders for public contracts, and overall with bidding for public and private works, as specified in the Board decision. As of 31.12.2023, the Project Bidding Committee comprises the following Group managers:

| | | |
|---|---|---|
| 1 | Konstantinos Lysarides | Executive Board Director |
| 2 | Athena Eliades | Group Financial Officer |
| 3 | Zoe Lysarides | Bidding Department Director |

*2.8 ESG & Sustainability Committee*

The issue of Sustainable Growth (Environmental / Social / Corporate Governance) is included in the priorities of advanced countries, through regulations to provide incentives and disincentives to businesses, while European Regulation (EU) 2019/2088 affects the relations of companies with Financial Institutions and Insurance companies by setting rules for Sustainable Growth.

In this context, the Company set up an ESG / Sustainability Committee to promote a systematic and in-depth approach to the issue of sustainable growth, and to improve the socio-economic footprint caused to the economy and society by its direct, indirect and induced actions and construction projects, comprising the following executives:

| Executive | Department / Unit | Position |
|---|---|---|
| Antonis Mitzalis | Executive Board Member | Chairman |
| Athena Eliades | Financial Management | Vice Chairwoman |
| Roe Konstantarou | QSHE & Sustainability | Member |
| Katerina Mantzorou | Human Resources / Administration | Member |
| Elina Georgili | Corporate Governance / Compliance | Member |

The Committee is supported in its functions by the Head of ESG Mr Sevastos Vayiakas.

Company shares are included in the composition of the Athens Stock Exchange's ESG Index, constituting one of the 60 companies meeting the strict conditions for participation at the time of issue of this report.

*2.9 Risk Management Department*

In 2023, the Company started a process of staffing and establishing operating regulations, procedures and policies for the internal Risk Management unit. The tasks of Risk Management for 2024 are carried out by a specialised external consulting company, which has undertaken the implementation and development of the operation of the new supervisory unit, formulating the appropriate policy and methodology for identifying, assessing and monitoring risks for the Group's activities, and establishing procedures for self-assessment of risks and safeguards. The evaluation and specification of the desired and acceptable level per risk category is scheduled to be completed within 2024 by the Company's Board of Directors, to take the necessary actions and action plans.

*2.10 Compliance & Corporate Governance Department*

In 2023, the Company hired a specialised external consulting firm to set up the operational framework of the new Regulatory Compliance & Corporate Governance Department, drafting the official Regulatory Compliance Policy, the relevant Procedures Manual and the Register of Regulatory Requirements of the Group. The Company has already approved the "whistleblowing" Policy for protecting Persons reporting violations of EU Law in compliance with Law 4990/2022, and ordered an electronic platform for the receipt and monitoring of those reports. Staffing of the new unit was completed in early 2024.

*2.11 Participation to Board and Executive Committee meetings*

The following table provides information on the participation of members in the meetings of the Board of Directors, the Audit Committee and the Remuneration & Nomination Committee during 2022, in accordance with the provisions of article 18, paragraph 3 of Law 4706/2020.

| | **Board of Directors** | **Audit Committee** | **Remuneration & Nomination Committee** |
|---|---|---|---|
| Christos Joannou | 73 | | |
| Konstantinos Kouvaras | 78 | | |
| Aikaterini Pistioli | 78 | 6 | 12 |
| Konstantinos Mitzalis | 78 | | |
| Konstantinos Lysarides | 79 | | |
| Antonis Mitzalis | 76 | | |
| Christos Siatis | 77 | 6 | |

| | | | |
|---|---|---|---|
| Alexios Sotirakopoulos | 78 | 6 | |
| Michael Hatzipavlou | 79 | | 12 |
| Theodora Monohartzis | 79 | | 12 |

*2.12 Ownership of Company shares by Board Directors and Company Executives*

The following table provides information on the number of Company shares held by each Board Director and senior manager of the Company as of 31.12.2023, and the time of issue of this Financial Report, in accordance with the provisions of article 18, paragraph 3 of Law 4706/2020.

| | **Position** | **31.12.2023** | **22.04.2024** |
|---|---|---|---|
| Christos Joannou | Board of Directors / Chairman | Full or partial ownership of several legal entities controlling an aggregate 45,896,111 shares | Full or partial ownership of several legal entities controlling an aggregate 45,896,111 shares, as well as 190,000 shares in a personal investor account |
| Konstantinos Kouvaras | Board of Directors / Deputy Chairman & Executive Member | Full ownership of a legal entity controlling 12,598,955 shares | Full ownership of a legal entity controlling 12,598,955 shares, as well as 190,000 shares in a personal investor account |
| Aikaterini Pistiolis | Board of Directors / Vice Chairman, Non-Executive Member | 275,000 | 275,000 |
| Konstantinos Mitzalis | Board of Directors / Managing Director | Total 25,656,745 shares, through a personal investor account, a joint investor account and a fully-owned legal entity | Total 26,046,745 shares, through a personal investor account, a joint investor account and a fully-owned legal entity |
| Konstantinos Lysaridis | Board of Directors / Executive Member | 1.375.289 | 1.565.289 |
| Antonis Mitzalis | Board of Directors / Executive Member | 0 | 190.000 |
| Christos Siatis | Board of Directors / Independent, Non-Executive Member | 0 | 0 |
| Alexios Sotirakopoulos | Board of Directors / Independent, Non-Executive Member | 0 | 0 |
| Michael Hatzipavlou | Board of Directors / Independent, Non-Executive Member | 0 | 0 |
| Theodora Monohartzis | Board of Directors / Independent, Non-Executive Member | 0 | 0 |
| | | | |
| Panayiotis Anagnostou | IT Systems Director | 0 | 0 |

| | | | |
|---|---|---|---|
| Athena Eliades | Group CFO | 0 | 150.000 |
| Demosthenis Katsigiannis | Head of CEO’s Office | 0 | 130.000 |
| Roe Konstantarou | Head of Quality / Health & Safety / Environmental / Sustainable Growth | 0 | 50.000 |
| Katerina Mantzorou | Human Resources & Administration Director | 0 | 0 |
| George Papageorgiou | Head of Concessions / PPPs | 0 | 150.000 |
| Kleopatra Papastamatiou | Head of Legal Department | 100 | 50.100 |
| Nikolaos Rigopoulos | Infrastructure & Building Projects Director | 16.726 | 166.726 |
| George Rousopoulos | Industrial & Energy Projects Director | 0 | 80.000 |
| George Tasakos | Network Projects Director | 0 | 120.000 |

*2.13 Declaration of annual examination of independence prerequisites for independent Board Directors*

According to article 9 of Law 4706/2020, the Company's Board of Directors must review, at least on an annual basis per financial year, the fulfilment of the independence prerequisites for its independent non-executive members, which are defined by paragraph 3 of article 9 of Law 4706/2020. The Board of Directors is also required to take the necessary steps to replace independent members of the Board of Directors whenever it is established by a competent body that the conditions of independence have ceased to be met by specific members of the Board.

The conditions of independence of the members of the Company's Board of Directors, and in particular the number of voting rights of the Company they hold and the possible existence of financial, business, family or other kind of dependency relationships which may influence their decisions and their independent and objective judgement, were examined during the meeting of the Company's Board of Directors on 24.04.2024, and it was found that their fulfilment still holds true. By extension, in the context of the above evaluation, it was also established that the independence prerequisites are met for both independent non-executive members of the Board of Directors who participate in the Company's Audit Committee.

*2.14 Reports of the Audit Committee and the Remuneration & Nomination Committee*

The Audit Committee and the Remuneration & Nomination Committee promoted the proper corporate governance of the Company during 2023, thus assisting the functions of the executive management of the Group and promoting the interests of shareholders. According to the provisions of article 18, paragraph 3 of Law 4706/2020, the following is a brief list of the activities of the two committees:

Audit Committee

During 2023, the Audit Committee convened in full membership to a meeting 6 times, more specifically on 31.01.2023, 22.03.2023, 05.04.2023, 24.04.2023, 27.09.2023 and 15.11.2023. All meetings were also attended by the internal auditors and key executives of the Company.

Among the issues examined were External Auditing and the Financial Disclosure Process, such as:

a) The financial disclosure process and the evaluation of the Company's financial statements in terms of their accuracy, completeness and consistency

b) The supervision of official announcements concerning the financial performance of the Company and the examination of the main points of the financial statements that contain significant views and estimates by the Management etc.

The Audit Committee examined the implementation of the Sustainable Growth Strategy implemented by the Group at all levels and areas of activity, and whether the Group's objectives include essential issues, such as employment and health & safety of employees, corporate governance, the protection of the environment, the reduction of the environmental footprint, etc.

In addition, it monitored the effectiveness of the Company's internal control and risk management systems to ensure that key risks are properly identified, addressed and disclosed. It also supervised and evaluated the adequacy of the work of the Internal Audit Unit and the reports prepared, ensuring its independence, smooth operation and its seamless and full access to information in accordance with international standards for the professional implementation of internal control, but also the current legal and regulatory framework.

Regarding the evaluation of the Internal Audit System (IAS), the Audit Committee supervised the progress of corrective actions, in relation to the findings highlighted by the external auditor in his evaluation report in March 2023.

In addition, the Audit Committee proceeded to inform the Company's Board of Directors regarding the areas in which the Committee identified material issues during the exercise of its duties.

Finally, in a meeting held on 09.04.2024 between the Company's Audit Committee and the External Auditors, the Audit Committee was informed about the financial results of the Company and the Group for 2023. The meeting also reviewed the most important issues in the context of the audit of the parent and consolidated financial statements for 2023 concerning the Review Report of the External Auditors to the Company's shareholders.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee of the Board of Directors of AVAX SA was elected by the General Meeting of Company shareholders on 24.06.2021 and, by decision of the Board of Directors of the same date, comprises the following members:

- Michael Hatzipavlou - Chairman

- Aikaterini Pistioli – Member
- Theodora Monochartzi - Member

During 2023, the Committee convened either in person or via teleconference 12 times, mostly deliberating the following matters:

a. the annual plan of its operations
b. preparation of the Remuneration Report of the members of the Board of Directors for 2022
c. specification of criteria & weighting factors for the creation of an Evaluation System of Executive Members for the Determination of their Variable Remuneration
d. review of the Suitability Policy of the members of the Board of Directors
e. collaboration with company management and the external Consultant appointed for purpose of recruitment of a new Human Resources Director, and attendance at the relevant interviews

More specifically:
a. The Remuneration Report of the members of the Board of Directors for financial year 2022 was presented to our Committee in April 2023 and was reviewed in April-May 2023. During the review, our Committee offered its opinion to the Board of Directors, before submitting the relevant report to the June 2023 General Meeting of shareholders, in accordance with article 112 of Law 4548/2018, as applicable, and the relevant provisions of the Commission's Operating Charter. It was verified that the remuneration included in the draft report was within the framework of the (then in effect) Remuneration Policy of the Company, which was approved by the Annual Ordinary General Meeting of the Company's shareholders on 01.09.2020. It is noted that this Report for financial year 2022 was also verified for completeness by the external auditor of the Company who reviewed the financial statements of the AVAX Group for the year. The Remuneration Report was discussed, amended, completed and approved by the Board of Directors of the Company on 24.05.2023 and, subsequently, received the approval of the Annual General Meeting of the Company's shareholders, which took place on 14.06.2023.

b. The Company's new Remuneration Policy, which was drawn up by the Remuneration & Nominations Committee in accordance with Directive (EU) 2017/828 of the European Parliament and of the European Council of 17 May 2017 on the rights of shareholders, as incorporated into Greek Law with Law 4548/2018 and in particular according to article 110, and was approved in its final form by the Board of Directors. of the Company during the meeting of 28.09.2022, was submitted and approved by the Annual General Meeting of shareholders on 14.06.2023 and is now in effect since 2023.

c. Having studied Best Practices and also taking into account the particularities of the specific sector in which the Company operates, during 2023 the Committee, prepared, within the framework of the provisions of the afore-mentioned new Remuneration Policy, the proposed criteria and weighting factors for the variable remuneration of the Executive Members of the Board of Directors, which were discussed extensively with the Company Chairman. Opinions were discussed and views exchanged mainly regarding criteria relating to the Company's financial performance, taking the initiative to achieve specific goals in pre-selected business activities, participation in multiple or key activities for the Company, participation in specific business projects, the focus on long-term financial, operational or investment goals towards the Company's current strategy, the supervision of one or more areas of responsibility according to the organisational chart, the participation in the Company's regulatory compliance actions and/or implementation of corporate social responsibility goals, etc. Those issues were presented by the Committee in detail and discussed at the Board of Directors meeting on 05.04.2023, which did not take a decision on the matter, and the Commission's proposal included the following criteria and weighting factors in the context of both the corporate performance and the individual performance of the members of the Board of Directors: participation and assistance in the internal restructuring and reorganisation of the Company, degree of participation in the overall increase of Company turnover, business activity development, supervision of a significant number of areas of responsibility, promotion of corporate goals outside the company, participation in Human Resources improvement actions and positive contribution to ESG issues.

d. The Committee examined the Suitability Policy for Board Members, as part of its duties described in its Operating Charter, provided by paragraph 3 of article 3 of Law 4706/2020, which was approved by the General Meeting of shareholders on 24.06.2021. This Policy specifies the size and composition of the Board of Directors of the Company, in terms of the balance of qualifications, knowledge and experience of its members, while at the same time setting out the scope and need to submit proposals for consideration regarding the desired profile of the Board of Directors, with the aim of optimally filling vacancies and adding new members. Following the examination of the Suitability Policy, the Committee proposed to the Board of Directors its enrichment with new criteria and its alignment with the upcoming changes within the year 2024 in national law regarding the gender quota in the overall composition of the Boards of Directors and the subset of non-executive members of the listed companies, ultimately seeking shareholder approval at the General Meeting in June 2024. The Committee decided that by acting promptly and proactively, there will be no need for forced changes to the Suitability Policy during the term of the new Board of the Company which will be announced in June 2024, ie prior to the planned implementation of the new gender balance rules in the management of listed companies in June 2026, in accordance with Directive (EU) 2022/2381 of the European Parliament and the European Council.

e. The Chairman of the Committee, Mr Hatzipavlou, provided assistance and collaborated with the Company's Management and the external Consultant appointed for hiring a new Human Resources Director of the Company in the context of the restructuring & reorganisation of certain Company business sectors.

*2.15 Remuneration Report*

The Board of Directors of the Company prepares a Remuneration Report for its members during each financial year, in accordance with article 112 of Law 4548/2018 and the Remuneration Policy of the Company, which is submitted as an agenda item at the next Annual Ordinary General Meeting of shareholders. It is pointed out that shareholder vote on the Remuneration Report is advisory. The board of directors must explain in the remuneration report how the vote outcome from the previous annual general meeting of shareholders was taken into account.

*2.16 Suitability Policy*

The Company aligns its Suitability Policy with the general corporate governance framework, corporate culture and risk appetite set, and also provides and observes the necessary procedures for the implementation of the Policy. Monitoring the implementation of the Suitability Policy is the responsibility of the Board of Directors, assisted by the Remuneration and Nominations Committee. The Company records the results of the suitability assessment, and in particular any weaknesses identified between the intended and actual individual and collective suitability, and measures to be taken to address these deficiencies.

**3. General Meetings of Shareholders**

*3.1 Functioning of the General Meeting and its basic authorities*

The General Meeting of Company shareholders is its supreme body and has the right to decide on any issue concerning the Company and any proposal put forward. More specifically, the General Meeting of shareholders has the exclusive right to decide on the following matters:

a. Amendment of Corporate Charter, referring to the increase or decrease of its share capital (excluding those mentioned in article 6 of the Corporate Charter) and those imposed by legislation

b. Election of Auditors

c. Approval or amendment of the Company balance sheet and annual financial statements

d. Appropriation of annual profit

e. Merger, split, conversion, activation of the Company

f. Conversion of Company shares

g. Term extension or early break-up of the Company

h. Liquidation of the Company and appointment of liquidation supervisors

i. Election of members to the Board of Directors, excluding the case described by article 11 of the Corporate Charter

j. approval of election of temporary members to the Board of Directors to replace other members who resigned, passed away or deprived of their member status in any other way

The decisions of the General Meeting of shareholders are binding for shareholders who abstain or disagree.

The General Meeting of shareholders is always invited by the Board of Directors and takes place at the Company headquarters or at a different venue within the same precinct or a neighbouring precinct at least once per financial year, until the tenth ($10^{th}$) day of the ninth ($9^{th}$) month following the end of each financial year.

The Board of Directors may invite shareholders to an extraordinary General Meeting when deemed necessary or when requested by shareholders representing a minimum of voting rights, as set by the law and the Corporate Charter.

The decisions of the General Meeting of shareholders are taken by absolute majority of votes represented to it. An exceptional majority representing 2/3 of paid-up capital is required in the following cases:

a. change of Company nationality

b. change of corporate address

c. change of the corporate objective or business activity

d. conversion of shares

e. increase of shareholder responsibilities

f. increase of share capital, excluding the cases described in article 6 of the Corporate Charter or those imposed by legislation or carried out to capitalise reserves, except for cases in accordance with Law 4548/2018

g. issue of bond loans, according to article 59 and all following articles of Law 4548/2018

h. change in the appropriation of earnings

i. merger, break up, conversion or restart of the Company

j. extension or reduction of the term of the Company

k. liquidation of the Company

l. granting or renewal of authority to the Board of Directors to carry out a share capital increase, according to article 6, para 1 of the Corporate Charter

m. any other case where according to legislation a minimum of 2/3 of paid-up share capital is required to be represented in the General Meeting

The Chairman of the Board of Directors, or his lawful substitute, is appointed temporary chairman of the General Meeting of shareholders, also appointing one of the shareholders or their representatives who are present at the meeting to act as the Secretary, until the assembly approves the list of the shareholders who have the right to participate and the permanent chairman is appointed.

*3.2 Shareholder rights and means of exercising them*

Right to participate and vote at the General Assembly of the Company is granted to all holders of common registered shares appearing on the Electronic Registry System of “Hellenic Exchanges SA”. The status of the shareholder must exist at the beginning of the fifth day before the date of the initial meeting of the General Meeting (record date) as provided for in Article 124, paragraph 6 of Law 4548/2018. The Company acknowledges the right to participate and vote in the General Assembly only of shareholders as of the respective recording date. The above record date also applies in case of postponement or recurring session, provided that the repeat session takes place no more than thirty (30) days from record date. If this is not the case, or if a new invitation is published for a repeat general meeting, according to the provisions of article 130 of Law 4548/2018, shareholders eligible for participating in the general meeting are those on record at the beginning of the third day prior to the day of the postponed or repeat general meeting. Shareholder status may be proven by any legal means, however, based on information received by the Company from the Central Securities Depository which provides registry services or through the participants and registered intermediaries in the CSD in any other case.

The exercise of these rights does not require the impounding of the shares of the beneficiary or the observance of any other similar procedure, which restricts trading of the shares between the record date and the General Meeting.

Minority Shareholders' Rights

1. At the request of shareholders, representing one twentieth (1/20) of the paid up capital, the Board of Directors is obliged to convene an extraordinary general meeting of shareholders, appointing a meeting date no more than 45 days from the date of delivery of the request to the Chairman of the Board of Directors. The application contains the agenda. If no General Meeting is convened by the Board of Directors within twenty (20) days from the service of the relevant application, the meeting shall be conducted by the applicant shareholders at the expense of the Company, by a decision of the Court, issued in the interim proceedings. The decision shall specify the place and time of the meeting, as well as the agenda. The decision cannot not challenged by legal remedies. The Board of Directors convenes the General Meeting in accordance with the general provisions or makes use of the procedure provided for in Article 135 of Law 4548/2018, unless the requesting shareholders have excluded this last possibility.

2. At the request of shareholders representing one twentieth (1/20) of the paid-up capital, the Board of Directors is obliged to append issues on the agenda of the General Meeting, which has already been convened, if the relevant application is received by the Board of Directors a minimum of 15 days prior to the General Meeting. An application for inclusion of additional items on the agenda is accompanied by a justification or a draft decision for approval by the General Meeting and the revised agenda is published in the same manner as the previous agenda thirteen (13) days prior to the General Meeting. At the same time, it is made available to shareholders on the Company's website together with the justification or the draft resolution submitted by the shareholders in accordance with the provisions of paragraph 4 of article 123 of Law 4548/2018. If these issues are not published, the requesting shareholders are entitled to request the postponement of the General Meeting in accordance with paragraph 5 of article 141 of Law 4548/2018 and to make the publication themselves, as per the second paragraph of this paragraph, at the expense of the Company.

3. Shareholders representing one twentieth (1/20) of the paid-up capital have the right to submit draft decisions on issues that are included in the original or any revised General Meeting agenda. The relevant application must reach the Board of Directors seven (7) days prior to the date of the General Meeting, the draft decisions being made available to the shareholders according to the provisions of paragraph 3 of article 123 of Law 4548/2018 six (6) ) at least days prior to the date of the General Assembly.

4. The Board of Directors shall not be obliged to enter items on the agenda or to publish or to disclose them together with justifications and draft resolutions submitted by shareholders in accordance with paragraphs 2 and 3 above, respectively, if their content is obviously contrary to law or morality.

5. At the request of any shareholder, submitted to the Company at least five full days before the General Meeting, the Board of Directors is obliged to provide the General Meeting with the specific information requested on the Company's affairs, insofar as these are relevant with the items on the agenda. No obligation to provide information exists when the relevant information is already available on the Company's website, in particular in the form of questions and answers. Also, at the request of shareholders, representing one twentieth (1/20) of the paid up capital, the Board of Directors is obliged to announce to the General Meeting, if it is regular, the amounts that during the last two years were paid to each member of the Board of Directors or directors of the Company, as well as any benefit to such persons from any cause or contract of the Company with them. In all the above cases, the Board of Directors may refuse to provide the information for substantive reasons, which is recorded in the minutes. Such a reason may be the representation of the requesting shareholders on the Board of Directors in accordance with

Articles 79 or 80 of Law 4548/2018. In the cases of this paragraph, the Board of Directors may respond in unison to shareholders' requests with the same content.

6. At the request of shareholders, representing one tenth (1/10) of the paid up capital submitted to the Company within the time limit of the previous paragraph, the Board of Directors is obliged to provide the General Meeting with information on the course of corporate affairs and the assets of the Company. The Board of Directors may refuse to provide the information for substantive reasons, which shall be recorded in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders on the Board of Directors in accordance with Articles 79 or 80 of Law 4548/2018, provided that the relevant members of the Board of Directors have received the relevant information in a sufficient manner.

7. In the cases referred to in paragraphs 5 and 6 above, any dispute as to whether or not the reasoning for refusal by the Board of Directors to provide information, is resolved by the Court of Justice by a decision given in the interim proceedings. By the same judgment, the Court also obliges the Company to provide the information that it refused. The decision cannot be challenged by legal remedies.

8. At the request of shareholders representing one twentieth (1/20) of the paid-up capital, voting on a subject or items on the agenda shall be made by means of an open vote procedure.

9. Without prejudice to the provisions on the protection of personal data, and provided that the articles of association provide for it, each shareholder may request to be given a list of the Company's shareholders indicating the name, address and number of shares of each shareholder. The Company is not obliged to include in the table shareholders holding up to one percent (1%) of the capital.

10. In all the cases of Article 141 of Law 4548/2018, the requesting shareholders are required to prove their shareholder status and, except in the cases of the first subparagraph of paragraph 6, the number of shares they hold in the exercise of the relevant right. Such proof is also the deposit of their shares, according to the provisions of paragraph 2 of Article 124 of Law 4548/2018. Shareholder status may be proven by any legal means, however, based on information received by the Company from the Central Securities Depository which provides registry services or through the participants and registered intermediaries in the CSD in any other case.

Participation Procedure and Voting via Proxy

Each share entitles one vote to the General Meeting. All shareholders are entitled to participate and vote at the General Meeting. The shareholder who participates in the General Meeting votes either in person or through representatives. Each shareholder may appoint up to three (3) proxies. A representative acting for more than one shareholder may vote differently for each shareholder.

Legal entities participate in the General Assembly through their representatives.

Shareholders may appoint a representative for one or more General Meetings and for a certain time. The Delegate shall vote, in accordance with the Shareholder's instructions, if any, and is obliged to archive the voting instructions for at least one (1) year from the date of the General Assembly, or in case of postponement, of the last Repeat Assembly in which he used the proxy.

Failure of the proxy to comply with the instructions received does not affect the validity of the decisions of the General Assembly, even if the representative's vote was decisive for achieving majority.

If a shareholder owns shares of the Company that appear in more than one securities accounts, this limitation does not prevent the shareholder from designating different proxies for the shares appearing in each securities account in relation to the General Meeting. Proxies are freely revocable.

Under Article 128, paragraph 5 of Law 4548/2018, the proxy of a shareholder is required to disclose to the Company, prior to the commencement of the General Meeting, any specific event that may be useful to the shareholders for assessing the risk that the proxy may serve interests other than the interests of shareholder. For the purposes of this paragraph, a conflict of interest may arise, in particular where the proxy:

1. is a shareholder exercising control over the Company or another legal entity or entity controlled by that shareholder
2. a member of the Board of Directors of the Company or a senior director or a director to an entity controlling the Company or other entity which controls the Company
3. an employee or certified auditor of the Company or a shareholder controlling the Company or other entity which is in turn controlled by the controlling shareholder
4. a spouse or relative up to first degree of a person referred to in cases 1 to 3 above.

Pursuant to article 128 paragraph 4 of Law 4548/2018, the appointment and revocation or replacement of the representative or representative of the shareholder are made in writing or by electronic means and are submitted to the Company at least forty-eight (48) hours prior to the appointed date of the General Meeting.

The Company's Corporate Charter provides for the participation of shareholders in the General Meeting by electronic means, without their physical presence at the venue, along with remote voting either by electronic means or by correspondence.

Available Documents & Information

The information of paragraph 3 and 4 of article 123 of Law 4548/2018, including the invitation to convene the General Assembly, the representative appointment form and the draft decision on all items on the agenda, as well as more detailed information on the exercise of the minority rights of paragraphs 2, 3, 6 and 7 of article 141 of Law 4548/2018, are available in electronic form on the Company's website www.avax.gr.

The full text of the draft decisions and any documents referred to in paragraph 4 of article 123 of Law 4548/2018 is available in hard copy at the offices of the Company's Shareholders & Corporate Announcements Department at: 16 Amarousiou-Halandriou Street, 15125, Marousi, Greece, tel +30 210 6375000.

All the aforementioned documents as well as the Invitation to a General Meeting of the Shareholders, the total number of existing shares and voting rights and the forms for voting by proxy are available in electronic form on the Company's website www.avax.gr.

**4. Main characteristics of the Company's Internal Auditing and Risk Management Systems in relation to the procedure for preparing financial accounts (parent company and consolidated)**

The Internal Auditing System is the set of internal auditing mechanisms and procedures, including risk management, internal auditing and regulatory compliance, which on a continuous basis covers every activity of the Group and contributes to its safe and efficient operation. Amongst others, the Group's Internal Auditing System features the following characteristics:

• Approved Operating Regulation

• Code of Business Conduct and Ethics and procedures for monitoring its implementation

• Approved Organisation Chart, for all levels of hierarchy, in which the area of responsibility per division / department is clearly identified

• Composition and operation of Board Committees, such as Audit Committee, Remuneration & Nomination Committee

• Organisational structure and operation of Internal Auditing

• Description of strategic planning, its development process and its implementation

• Long-term and short-term action planning per significant activity, with a corresponding report and highlighting of discrepancies on a periodic basis, as well as their justification

• Complete and up-to-date corporate charter, clearly identifying the scope of operations and the business purposes of the Company

• Job description of divisions, departments and job positions

• Recording of policies and procedures of important operations of the Group and identification of safety valves or significant omissions.

**Internal Auditing Unit**

Internal auditing is conducted by the Company's independent Internal Auditing Unit, according to its written operations regulation (Internal Auditing Charter). The primary role of Internal Auditing is to monitor and improve the operations and policies of the Company regarding its Internal Auditing System, the evaluation of risk management systems across the Company's operations in terms of adequacy, efficiency and their effectiveness in relation to the achievement of strategic objectives. The responsibilities of internal auditing also include reviewing compliance with the Internal Regulations and Legislations, at all locations of operations, as well as the review and evaluation of the corporate governance and quality assurance mechanisms adopted by the Company.

According to the Internal Auditing Charter, during 2023 the Audit Committee held meetings with the Internal Audit Unit and its Head, during which operational and organisational issues were discussed, providing all requested information and information on the applied auditing systems regarding their effectiveness and the course of audits.

All audit reports and relevant quarterly reports were submitted to the Audit Committee, including the most important findings, their associated risks, proposals - actions for improvement of Internal Auditing and the response of audited Company departments.

Following the submission of a report by the Internal Audit Unit, the Board of Directors approved the auditing programme for 2024 and identified the functions and points which internal audit should focus on.

**Adequacy and Effectiveness of Internal Auditing System**

In accordance with the provisions of article 14 of Law 4706/2020 and Decision 1/891/30.09/2020 of the Board of Directors of the Capital Markets Commission, the Board of Directors of the Company endorsed a proposal by the Audit Committee and appointed "BDO Certified Auditors SA" to carry out the assessment of the adequacy and effectiveness of the Internal Auditing System System (IAS) of the Company and its major subsidiary, with a reference date of 31.12.2022. The summary assessment report issued in March 2023 by BDO identified specific findings which Company management omitted itself to remedying in 2023.

More specifically, the following actions were taken:

**Auditing Environment**

- Board approval of the updated Operating Regulations of the Company and its subsidiary ETETH SA
- Board approval of the updated Personnel Evaluation Procedure

**Risk Management**

- issued an Operating Regulation for Risk Management, compiled a Risk Matrix, and updated the Risk Management Policy and Methodology
- appointed a Head of the Risk Management Unit, through outsourcing

**Compliance**

In relation to the Regulatory Compliance Unit:

- compiled and got Board approval for a regulatory Compliance Policy and Operating Manual, as well as a Regulatory Requirements Matrix
- appointed a Head of the Compliance and Corporate Governance Unit in March 2024

The Board of Directors has approved the “whistleblowing” protection policy for persons reporting breaches of European Union Law, in line with Law 4990/2022, and has scheduled the installation of a electronic platform for relevant reports.

**Security Safeguards**

Data Loss Protection (DLP) Procedure:

- implemented several projects, including Impact Evaluation, Data Transfer Monitoring & Limiting. All systems are expected to be fully operational by end-June 2024

Chief Information Security Officer (CISO):

- currently in the process of evaluating candidates for appointing an external consultant on information systems security to support the Group on its daily needs. The Company has also scheduled the appointment of an information security officer, who will work closely with the external consultant, aiming to assume the duties of CISO within the next two years.

Security Control Matrix:

- the Control Matrix for security safeguards has been compiled and is pending evaluation by the Board of Directors

**Internal Auditing and Security Safeguards of the Company and the Group in relation to the procedure for preparing financial accounts (parent company and consolidated**

The Company has a well-documented Policy and Procedure for the accounting representation of financial events and preparation of financial accounts. The Company's accounting system is supported by specialised data information systems which have been adapted to its operational requirements. Procedures for control and accounting settlements have been defined to secure the validity and legality of accounting entries as well as the soundness and validity of financial accounts. The Audit Committee of the Board of Directors supervises and evaluates, according to auditing standards, the process of preparing interim and annual financial accounts of the Company and examines the review reports of external auditors for issues pertaining to derogation from current accounting practices.

**5. Other administrative or supervisory bodies or committees of the Company**

The Company has no other administrative or supervisory bodies or committees at this time.

**6. Additional Information**

<u>Overview of policy of diversity on administrative, managerial and supervisory bodies of the company (according to Law 4548/2018, article 152)</u>

Members of administrative, managerial and supervisory bodies of the company satisfy all requirements and meet all standards for participating in those bodies. They are distinguished for their professional capacity, knowledge, skills and experience, and stand out for their ethics and character integrity as part of the effectiveness and flexibility of AVAX's broader organizational setup and operations.

Marousi, 24.04.2024

On behalf of the Board of Directors of AVAX SA

Konstantinos Mitzalis

Managing Director

[Translation from the original text in Greek]

**Independent Auditor's Report**
To the Shareholders **of "AVAX 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 the Company "AVAX S.A." (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2023, and the separate and consolidated statements of income and comprehensive income, changes in equity and cash flow for the year then ended, as well as and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "AVAX S.A." and its subsidiaries (the Group) as of December 31, 2023, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as incorporated in 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 with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and the consolidated financial statements of the current period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the Key audit matter |
|---|---|
| **Revenue recognition from construction contracts** | |
| As described in notes C.19, C.23.9, E.1. and E.20 of the financial statements, the turnover of the Group and the Company for the year ended 31.12.2023 amounts to € 453.547 thousand and € 405.175 thousand, respectively, and includes mainly revenue from the construction contracts.<br>Revenue recognition from construction contracts, is | Our audit approach was based on audit risk and includes, among other things, the following procedures:<br>• Understanding and evaluation of the applied procedures by the Group and the Company for the revenue recognition |

based on Management's significant estimates and judgments regarding the cost budget of the construction projects for applying the percentage of completion method according to IFRS 15.

Revenue from construction contracts is recognized over time and as the performance obligations are being satisfied whereas their recognition requires estimates and judgements according to the followings:

- The recognition of the performance obligations and the time of their satisfaction,
- the allocation of the transaction price (contract value) over the performance obligations,
- The determination of the total cost from the contract date until the estimated date of its completion (cost budget of project completion),
- Potential revisions of the project cost budget,
- The possibility of any customer approvals for claims and incentives.

Given the significance of the matter above and the level of the Management's judgements and estimations required we consider revenue recognition from construction contracts as a key audit matter.

from construction contracts and evaluating the effectiveness of their design.

- Evaluation of significant areas for a sample of construction contracts, under qualitative and quantitative criteria, in order to examine the proper accounting revenue recognition, according to the applied accounting principles and methods. For that selected sample we conducted the following procedures:
  - Registering and understanding of the main contract terms so as to recognize and confirm, per project, the performance obligations and the time of their satisfaction.
  - Comparison of the actual results per sampled contract with the approved budgets and the historical data so as to assess the level of reliability of the Management's judgements and estimates.
  - Confirmation, on a sample basis, of the completeness and accuracy of the cost and other expenses incurred for the satisfaction of the performance obligations and their reference to the corresponding projects/contracts according to the accounting data and the relevant support evidence.
  - Recalculation of the percentage of completion of the performance obligations based on the incurred cost, the project managers' relevant reports and the Company's relevant accounting data.
  - Examination of the supporting documentation in order to evaluate the likelihood claims and incentives be realized.
- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

**Recoverability of trade receivables**

As described in Notes C.20, C.23.6 and E.21 of the financial statements, the Group and the Company's trade receivables as at 31.12.2023 amount to € 195.818 thousand and € 177.009 thousand respectively while the relevant accumulated impairment amounts to € 56.689 thousand and € 56.296 thousand, respectively.

The trade receivables of the Company and the Group include receivables from local and foreign customers. In case customers are unable to meet their contractual obligations the Company and Group are exposed to high level of credit risk.

The Management of the Group and the Company evaluates the recoverability of its trade receivables and estimates the necessary impairment provision for the expected credit loss.

Given the significant value of the trade receivables and the level of the Management's judgements and estimations required for the determination of their recoverable value we consider the evaluation of the impairment of the trade receivables of the Company and the Group as a key audit matter.

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Assessment of the assertions and methodology used by the Management of the Company and the Group for the recoverability of trade receivables.
- Examination of the legal advisors' letters concerning the matters they dealt with throughout the year so as to identify any issues about any trade receivable balances that may not be recoverable in the future.
- Receipt of third-party confirmation letters, for a representative sample of trade receivables and performance of procedures subsequent to the date of the financial statements for the assessment of the year-end balances' recoverability.
- Examination of the maturity of the year-end trade receivable balances and detection of any debtors facing financial difficulty.
- Discussions with Management and evaluation of the relevant estimations according to the available information.
- Recalculation of the impairment of trade receivables taking into consideration specific criteria for debtors, such as the maturity of the balances, significant debtors and high risk debtors.
- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

**Financial assets at fair value through other comprehensive income**

As described in Notes C.6, C.20, C.23.11, E.15 and E.40 of the financial statements, the book value of the financial assets at fair value through Other Comprehensive Income for the year ended 31.12.2023 in the separate and consolidated financial statements amounts to € 160.871 thousand and € 137.080 thousand, respectively.

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Review of the valuation reports of the Financial Assets at Fair Value through Other Comprehensive Income which were prepared by Management's external experts and

The Financial Assets at Fair Value through Other Comprehensive Income are recognized at fair value according to IFRS 9 "Financial Instruments". The determination of the fair value was based on the estimation of the discounted projected cash flows given that no active market exists for those financial assets (participation in Concession companies). The estimation of the projected cash flows involves subjectivity which depends on various factors including estimations over future revenue, the performance and market risks, cost estimations as well as the use of the appropriate discount rate.

Given the significance of the matter above and the level of the required judgements and estimations we consider it as a key audit matter.

assessment of the appropriateness of the methodology, the discount rate determination model, as well as the reasonableness of the assumptions and criteria of the relevant financial models.

- Evaluation of the accuracy and reliability of the inputs used and are included in the Company's valuation data and are referred in the relevant valuation reports made by the Management's external experts, taking into consideration the relevant financial data from the Concession companies.
- Assessment of the competence, objectivity, and independence of the Management's external experts.
- Assessment of the mathematical accuracy of the financial models.
- Discussions with Management regarding any significant change or facts concerning the aforementioned Financial Assets.
- Evaluation of the adequacy and appropriateness of the disclosures included in Notes of the financial statements.

**Provisions and Contingent liabilities**

As described in Notes C.8, C.23.8, E.29 and E.44 of the financial statements, pending court and arbitration cases exist regarding contractual-work disputes and other issues against the Group's companies.
Periodically, the Management of the Group examines the status of each significant case and evaluates the potential financial risk based on its legal advisors' opinion. In case the potential loss from any claims and legal cases is considered probable and the relevant amount can be valuated reliably, the Management of the Group recognizes provision for the estimated loss. Management's judgement is required to a great extent for the determination of the probability and the degree of a reliable risk assessment.
When additional information is available, Management of the Group re-evaluates the contingent liabilities regarding pending claims and legal cases and may revise

Our audit approach was based on audit risk and includes, among other things, the following procedures:

- Receipt of response letters from the legal advisors regarding pending court and other legal cases.
- Discussions directly with the legal advisors of the Group and Management regarding the significant pending legal cases.
- Evaluation of the Management's estimations for the significant legal cases taking into account the background of the case.
- Evaluation of the adequacy and appropriateness of the disclosures

| | |
|---|---|
| its relevant estimations if necessary. Such revisions of the contingent liabilities' estimations may have a significant impact on the financial position and results of the Group.<br>Given the significance of the matter above and the level of the required judgements and estimations we consider provisions and contingent liabilities as key audit matter. | included in Notes of the financial statements. |

**Other Information**

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Statements of the Board of Directors Representatives, 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 will 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 our audit, we conclude that there is a material misstatement therein, we are required to report that matter. We have nothing to report regarding the aforementioned matter.

**Responsibilities of Management and Those Charged with Governance for the separate and consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed 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 Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless, Management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (art. 44 of Law 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and 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 Company and 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 audit of the Company and the Group. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

**Report on Other Legal and Regulatory Requirements**

**1. Board of Directors' Report**

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement, which is included therein, according to the provisions of paragraph 5 of article 2 of L. 4336/2015 (part B), we note that:

a) The Board of Directors' Report includes the Corporate Governance Statement which provides the information required by Article 152 of Law 4548/2018.

b) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 150-151 and 153-154 and of paragraph 1 (cases c' and d') of article 152 of Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31.12.2023.

c) Based on the knowledge we obtained during our audit about the company "AVAX S.A." and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

**2. Additional Report to the Audit Committee**

Our audit opinion on the separate and the consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, in accordance with article 11 of EU Regulation 537/2014.

### 3. Provision of Non-Audit Services

We have not provided to the Company and the Group any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014 or other permitted non-audit services.

### 4. Auditor's Appointment

We were appointed as statutory auditors for the first time by the General Assembly of shareholders of the Company on 24/06/2014. Our appointment has been, since then, uninterrupted renewed by the Annual General Assembly of shareholders of the Company for 10 consecutive years.

### 5. Rules of Procedure

The Company has in place Rules of Procedure in conformance with the provisions of article 14 of Law 4706/2020.

### 6. Assurance Report on European Single Electronic Format

We examined the digital records of "AVAX S.A." (hereinafter Company and Group), prepared in accordance with the European Single Electronic Format (ESEF) as defined by the European Commission Delegated Regulation 2019/815, amended by the Regulation (EU) 2020/1989 (ESEF Regulation), which comprise the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2023, in XHTML format "213800ZU3OTKF9M41394-2023-12-31-en.xhtml", as well as the provided XBRL file "213800ZU3OTKF9M41394-2023-12-31-en.zip" with the appropriate mark-up, on the aforementioned consolidated financial statements, including other explanatory information (Notes to the financial statements).

**Regulatory Framework**

The digital records of the ESEF are prepared in accordance with the ESEF Regulation and the Commission Interpretative Communication 2020/C379/01 of November 10, 2020, in accordance with Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (ESEF Regulatory Framework).

In summary, this framework includes, inter alia, the following requirements:

- All annual financial reports shall be prepared in XHTML format.
- For the consolidated financial statements in accordance with IFRS, financial information included in the statements of comprehensive income, financial position, changes in equity and cash flow, as well as the financial information included in the other explanatory information, shall be marked-up with XBRL tags (XBRL "tags" and "block tags"), in accordance with the effective ESEF Taxonomy. ESEF technical specifications, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework constitute the appropriate criteria for expressing a conclusion of reasonable assurance.

**Responsibilities of Management and Those Charged with Governance**

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company and Group for the year ended December 31, 2023, in accordance with the requirements of ESEF Regulatory Framework, and for such internal control as management determines is necessary to enable the preparation of digital records that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibilities**

Our responsibility is to design and conduct this assurance engagement in accordance with No. 214/4/11-02-2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines on the auditors' engagement and reasonable assurance report on European Single Electronic Format (ESEF) for issuers whose securities are admitted to trading on a regulated market in Greece" as issued by the Institute of Certified Public Accountants of Greece on 14/02/2022 (hereinafter "ESEF Guidelines"), in order to obtain reasonable assurance that the separate and the consolidated financial statements of the Company and the Group, prepared by the management in accordance with ESEF are in compliance, in all material respects, with the effective ESEF Regulatory Framework.

We conducted our work in accordance with the Code of Ethics for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants, as incorporated in Greek legislation and we have complied with the ethical requirements of independence, in accordance with Law 4449/2017 and EU Regulation 537/2014.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 “Assurance Engagements other than Audits or Reviews of Historical Financial Information” and our procedures are limited to the requirements of ESEF Guidelines. Reasonable assurance is a high level of assurance but is not a guarantee that this work will always detect a material misstatement of non-compliance with the requirements of ESEF Regulation.

**Conclusion**

Based on the procedures performed and the evidence obtained, the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2023, in XHTML format “213800ZU3OTKF9M41394-2023-12-31-en.xhtml”, as well as the provided XBRL file “213800ZU3OTKF9M41394-2023-12-31-en.zip” with the appropriate mark-up on the above consolidated financial statements, including the other explanatory information, have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

BDO

BDO Certified Public Accountant S.A.
449 Mesogion Av,
Athens-Ag. Paraskevi, Greece
Reg. SOEL: 173

Agia Paraskevi, April 29, 2024
Certified Public Accountant

Dimitrios V. Spyrakis
Reg. SOEL: 34191

AVAX S.A.

STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

(All amounts in Euros)

| | | GROUP | | COMPANY | |
|---|---|---|---|---|---|
| | | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| **ASSETS** | | | | | |
| **Non-current Assets** | | | | | |
| Property, Plant and Equipments | 10 | 42,181,700 | 41,704,343 | 28,995,733 | 27,445,012 |
| Right of Use Assets | 10a | 109,358,473 | 85,556,579 | 73,365,510 | 50,445,221 |
| Investment Property | 11 | 6,943,507 | 11,537,697 | 2,265,436 | 2,245,736 |
| Intangible Assets | 12 | 934,199 | 455,341 | 393,169 | 435,702 |
| Investments in subsidiaries/associates and other companies | 13 | 174,383,426 | 163,296,727 | 88,365,614 | 87,701,551 |
| Financial assets at fair value through other comprehensive income | 15 | 137,080,403 | 132,176,387 | 160,871,255 | 141,045,251 |
| Other non current assets | 16 | 6,416,399 | 6,652,235 | 236,455,683 | 237,479,501 |
| Other long term receivables | 16 | 166,077 | 158,922 | 628,400 | 303,714 |
| Deferred tax assets | 17 | 24,506,467 | 22,765,426 | 31,762,567 | 31,093,494 |
| **Total Non-current Assets** | | **501,970,651** | **464,303,657** | **623,103,367** | **578,195,182** |
| **Current Assets** | | | | | |
| Inventories | 19 | 31,900,803 | 21,319,764 | 25,088,720 | 14,894,205 |
| Contractual assets | 20 | 214,629,790 | 148,637,575 | 213,291,183 | 147,272,976 |
| Trade receivables | 21 | 139,129,036 | 150,262,678 | 120,712,529 | 132,169,198 |
| Other receivables | 21 | 172,739,027 | 120,257,888 | 177,256,064 | 126,678,278 |
| Restricted Cash Deposits | 22a | 452,489 | 1,863,839 | 452,489 | 1,863,839 |
| Cash and cash equivalents | 22 | 76,492,204 | 84,762,051 | 71,219,051 | 80,184,439 |
| **Total Current Assets** | | **635,343,349** | **527,103,795** | **608,020,035** | **503,062,935** |
| Non current assets held-for-sale | 26a | - | - | 17,942,051 | 17,942,051 |
| Disposal Group held for sale | 26b | 65,440,378 | 85,061,215 | - | - |
| **Total Assets** | | **1,202,754,379** | **1,076,468,668** | **1,249,065,453** | **1,099,200,169** |
| **EQUITY AND LIABILITIES** | | | | | |
| Share Capital | 30 | 44,496,455 | 43,296,455 | 44,496,455 | 43,296,455 |
| Share Premium account | 30 | 145,451,671 | 146,651,671 | 145,451,671 | 146,651,671 |
| Revaluation Reserve for financial assets at fair value | 32 | 95,103,473 | 87,837,596 | 65,730,936 | 52,096,477 |
| Reserves based on Law 4171/61 | 33 | 50,918,719 | 38,676,944 | 50,918,719 | 38,676,944 |
| Reserves based on article 48 of Law 4172/2013 (tax-exempt intra-group dividends) | 34 | 514,047,536 | 270,327,337 | 472,715,670 | 253,075,574 |
| Translation exchange differences | | (4,532,912) | (3,864,890) | (6,868,914) | (4,960,496) |
| Other Reserves | 31 | 43,574,505 | 39,959,784 | 29,394,071 | 25,218,062 |
| Retained earnings | | (730,445,935) | (468,878,716) | (494,259,643) | (258,524,033) |
| Total Equity (a) | | 158,613,512 | 154,006,181 | 307,578,965 | 295,530,652 |
| Non-controlling interest (b) | 35 | 1,108,791 | 904,088 | - | - |
| **Total Equity (c=a+b)** | | **159,722,303** | **154,910,268** | **307,578,965** | **295,530,652** |
| **Non-Current Liabilities** | | | | | |
| Debentures/Long term Loans | 25 | 197,027,160 | 228,928,071 | 195,021,260 | 228,928,071 |
| Deferred tax liabilities | 18 | 24,360,283 | 18,046,950 | 21,950,276 | 15,533,262 |
| Provisions for retirement benefits | 28 | 3,418,460 | 3,176,294 | 2,906,070 | 2,715,914 |
| Non Current Leasing Liabilities | 27 | 70,436,544 | 63,694,337 | 41,378,673 | 35,635,809 |
| Other provisions and non-current liabilities | 29 | 204,363,995 | 162,953,698 | 194,217,629 | 151,318,533 |
| **Total Non-Current Liabilities** | | **499,606,442** | **476,799,351** | **455,473,908** | **434,131,590** |
| **Current Liabilities** | | | | | |
| Trade and other creditors | 23 | 398,324,278 | 273,083,647 | 387,611,265 | 272,785,211 |
| Contractual liabilities | 20 | 4,955,159 | 7,030,107 | 4,174,677 | 2,339,677 |
| Income and other tax liabilities | 24 | 14,272,607 | 12,024,704 | 12,807,503 | 10,470,706 |
| Liabilities from Leases | 27 | 21,415,508 | 12,087,691 | 20,128,550 | 10,864,151 |
| Short term Loans | 25 | 62,402,933 | 78,120,782 | 61,290,586 | 73,078,181 |
| **Total Current Liabilities** | | **501,370,485** | **382,346,929** | **486,012,581** | **369,537,927** |
| Disposal Group held for sale | 26b | 42,055,149 | 62,412,120 | - | - |
| | | **543,425,633** | **444,759,049** | **486,012,581** | **369,537,927** |
| **Total Liabilities (d)** | | **1,043,032,075** | **921,558,400** | **941,486,489** | **803,669,516** |
| **Total Equity and Liabilities (c+d)** | | **1,202,754,379** | **1,076,468,668** | **1,249,065,453** | **1,099,200,169** |

Some items in the financial statements of the previous fiscal year have been restated to be comparable with the corresponding items of the current fiscal year. This reclassification had no effect on equity, after tax results , and the aggregate net income after tax of the company.

The following notes are integral part of the Financial Statements

**AVAX S.A.**
**STATEMENT OF INCOME**
**FOR THE JANUARY 1st, 2023 TO DECEMBER 31st, 2023 PERIOD**
**(All amounts in Euros except per shares' number)**

| | | GROUP | | COMPANY | |
|---|---|---|---|---|---|
| | | **1.1-31.12.2023** | **1.1-31.12.2022** | **1.1-31.12.2023** | **1.1-31.12.2022** |
| Turnover | **1** | 453,546,704 | 402,709,185 | 405,174,499 | 361,395,637 |
| Cost of sales | **2** | (416,770,292) | (381,837,666) | (376,484,464) | (345,975,603) |
| **Gross profit** | | **36,776,412** | **20,871,519** | **28,690,035** | **15,420,033** |
| profit/(losses) | **3** | (1,575,109) | 11,571,596 | (4,068,391) | 39,328,476 |
| Write-off of doubtful receivables & other provisions | **3a** | (5,065,425) | (6,537,221) | (5,065,425) | (6,537,221) |
| Gain/ (Losses) from property fair-value | **11a** | 235,810 | 315,460 | 19,700 | 19,400 |
| Administrative expenses | **4** | (25,365,440) | (27,974,426) | (17,633,129) | (21,399,701) |
| Selling & Marketing expenses | **5** | (6,494,815) | (12,986,223) | (5,139,685) | (12,446,468) |
| Income from sub-debts | **6a** | 6,556,647 | 6,587,685 | 9,374,912 | 2,902,732 |
| Income/(Losses) from Associates/ Dividends | **6b** | 32,445,281 | 47,438,939 | 28,106,016 | 57,336,305 |
| **Profit/ (Loss) before tax, financial and investment results** | | **37,513,362** | **39,287,329** | **34,284,034** | **74,623,557** |
| Finance cost (net) | **7** | (20,826,605) | (20,744,154) | (18,780,124) | (18,648,471) |
| **Profit/ (Loss) before tax** | | **16,686,757** | **18,543,176** | **15,503,910** | **55,975,086** |
| Tax | **8** | (6,660,562) | (5,626,864) | (6,713,203) | (5,136,316) |
| **Profit/ (Loss) after tax from continuing operations** | | **10,026,195** | **12,916,312** | **8,790,707** | **50,838,770** |
| **Profit/ (Loss) after tax from discontinued operations (note 26b)** | | **381,997** | **26,966,208** | **-** | **-** |
| **Profit/ (loss) after tax from continuing and discontinued operations** | | **10,408,192** | **39,882,520** | **8,790,707** | **50,838,770** |
| **Attributable to:** | | | | | |
| Equity shareholders | | 10,304,499 | 38,109,722 | 8,790,707 | 50,838,770 |
| Non-controlling interests | | 103,693 | 1,772,798 | - | - |
| | | **10,408,192** | **39,882,520** | **8,790,707** | **50,838,770** |
| **Basic Profit/ (Loss) per share (in Euros)** | | | | | |
| ***From continuing and discontinued operations*** | | | | | |
| **- Basic Profit/ (Loss) per share (in Euros)** | | **0.071** | **0.264** | **0.061** | **0.352** |
| ***From continuing operations*** | | | | | |
| **- Basic Profit/ (Loss) per share (in Euros)** | | **0.069** | **0.088** | **0.061** | **0.352** |
| ***From discontinued operations*** | | | | | |
| **- Basic Profit/ (Loss) per share (in Euros)** | | **0.003** | **0.176** | **-** | **-** |
| **Weighted average # of shares** | | **144,507,817** | **144,321,516** | **144,507,817** | **144,321,516** |
| **Proposed dividend per share (in € )*** | | | | **0.03** | **0.07** |
| **Profit before tax, financial and investment results, depreciation and provisions** | | **60,763,846** | **58,228,341** | **53,272,604** | **89,289,335** |

*Dividend from the reserve according to Article 48 of Law 4172/2013, which has been calculated in previous fiscal years

Note: The results of discontinued operations are disclosed separately and analyzed in a separate note (see note 26b), in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations".

The following notes are integral part of the Financial Statements.

**AVAX S.A.**
**STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE JANUARY 1st, 2023 TO DECEMBER 31st, 2023 PERIOD**
**(All amounts in Euros)**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **1.1-31.12.2023** | **1.1-31.12.2022** | **1.1-31.12.2023** | **1.1-31.12.2022** |
| **Profit/ (Loss) after tax for the Period** | **10,408,192** | **39,882,520** | **8,790,707** | **50,838,770** |
| **Other Comprehensive Income** | | | | |
| **Net other comprehensive income /(loss) to be reclassified to profit or loss in subsequent periods** | | | | |
| Exchange Differences on translating foreign operations | (668,021) | (156,715) | (1,908,418) | (42,895) |
| Cash flow hedges | (2,676,430) | 1,620,345 | - | - |
| Revaluation reserves for financial assets at fair value through other comprehensive income | 6,693,478 | 15,759,713 | 13,552,073 | (61,575,483) |
| Revaluation reserves of other assets | 3,608,303 | 3,466,549 | 2,578,411 | 2,610,969 |
| Other reserves | (372,065) | 943,262 | - | - |
| Tax for other comprehensive income | (221,427) | (940,344) | (484,865) | (576,494) |
| **Net other comprehensive income /(loss) not to be reclassified to profit or loss in subsequent periods** | | | | |
| Actuarial revaluation of liabilities for personnel retirement | 115,015 | 183,872 | (483,448) | 148,347 |
| Tax for other comprehensive income | (25,303) | (40,452) | 106,359 | (32,636) |
| **Total other comprehensive income from continuing & discontinued operations net of tax** | **6,453,550** | **20,836,232** | **13,360,112** | **(59,468,191)** |
| **Total other comprehensive income from discontinued operations net of tax** | **-** | **2,323** | **-** | **-** |
| **Total other comprehensive income from continuing operations net of tax** | **6,453,550** | **20,838,554** | **13,360,112** | **(59,468,191)** |
| **Total comprehensive Income** | **16,861,742** | **60,718,752** | **22,150,819** | **(8,629,421)** |
| **Total comprehensive Income attributable to:** | | | | |
| Equity shareholders | **16,758,049** | **58,945,954** | **22,150,819** | **(8,629,421)** |
| Non-controlling interests | 103,693 | 1,772,798 | - | - |
| | **16,861,742** | **60,718,752** | **22,150,819** | **(8,629,421)** |

The following notes are integral part of the Financial Statements.

**AVAX S.A.**
**CASH FLOW STATEMENT AS AT DECEMBER 31, 2023**
**(All amounts in Euros)**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| **Operating Activities** | | | | |
| **Profit/ (Loss) before tax from continuing operations** | **16,686,757** | **18,543,176** | | |
| **Profit/ (Loss) before tax from discontinued operations** | **378,022** | **27,790,664** | | |
| **Profit/ (loss) before tax from continuing and discontinued operations** | **17,064,779** | **46,333,839** | **15,503,910** | **55,975,086** |
| **Adjustments for:** | | | | |
| Depreciation | 5,806,604 | 6,138,800 | 3,645,601 | 3,800,971 |
| Depreciation of rights of use | 12,507,735 | 6,421,786 | 10,277,545 | 4,327,587 |
| (Profit) / losses on fair value of property | (235,810) | (289,300) | (19,700) | (19,400) |
| Provisions / Bad debts | 6,840,358 | 7,509,176 | 5,065,425 | 6,537,221 |
| Income from sub-debts | (6,556,647) | (6,278,203) | (9,374,912) | (2,902,732) |
| Interest income | (1,231,270) | (2,739,030) | (380,133) | (84,816) |
| Interest expense | 21,613,838 | 22,218,618 | 19,160,257 | 18,733,286 |
| Profit from subsidiary disposal | - | (39,095,335) | - | - |
| Losses from participations' impairment | - | - | 1,426,418 | - |
| Losses/ (Profit) from financial instruments / dividends | (32,445,281) | (41,875,396) | (28,106,016) | (93,158,002) |
| Exchange rate differences | (1,670,079) | (566,203) | (1,375,631) | (564,224) |
| Other non cash and cash equivalents | 2,576,622 | 543,496 | 3,632,951 | (865,067) |
| **Change in working capital** | | | | |
| (Increase)/decrease in inventories | (10,496,039) | 5,680,928 | (10,109,514) | 6,738,676 |
| (Increase)/decrease in trade and other receivables | (118,127,894) | 15,475,183 | (120,654,673) | 76,055,901 |
| Increase/(decrease) in non-banking payables | 173,834,090 | (28,481,322) | 157,705,411 | 15,666,935 |
| Income taxes paid | (8,188,190) | (5,444,371) | (7,076,365) | (5,077,258) |
| **Cash Flow from continuing and discontinued Operating Activities (a)** | **61,292,814** | **(14,447,335)** | **39,320,572** | **85,164,164** |
| **Cash Flow from Discontinued Operating Activities** | **(27,317)** | **(27,503,749)** | **-** | **-** |
| **Cash Flow from Continuing Operating Activities** | **61,320,131** | **13,056,414** | **39,320,572** | **85,164,164** |
| **Investing Activities** | | | | |
| Purchase of tangible and intangible assets | (13,254,270) | (4,278,011) | (10,889,966) | (2,650,948) |
| Proceeds from disposal of tangible and intangible assets | 3,533,196 | 1,165,058 | 1,944,940 | 1,144,020 |
| Proceeds from sales of assets held for investment | 4,830,000 | 500,000 | - | - |
| Decrease / (Increase) in secondary loans (subdebt) and bond loans | (5,071,376) | 3,688,843 | (3,658,548) | (221,958,751) |
| Disposal/(Acquisition) of Participations | (2,079,400) | 55,749,498 | (2,079,350) | 225,420,710 |
| Interest received | 1,231,270 | 253,255 | 380,133 | 84,816 |
| Income from sub-debts | 5,164,999 | 6,448,480 | 8,054,578 | 2,902,732 |
| Income from subsidiaries disposal (minus subsidiaries cash and cash equivalent) | - | 54,395,827 | - | - |
| Dividends received | 29,842,470 | 40,014,273 | 47,223,472 | 36,066,990 |
| **Cash Flow from continuing and discontinued Investing Activities (b)** | **24,196,889** | **157,937,224** | **40,975,258** | **41,009,568** |
| **Cash Flow from Discontinued Investing Activities** | **(629,464)** | **53,569,680** | **-** | **-** |
| **Cash Flow from Continuing Investing Activities** | **24,826,353** | **104,367,544** | **40,975,258** | **41,009,568** |
| **Financing Activities** | | | | |
| Proceeds from loans(note 25a) | (48,862,083) | (135,648,468) | (45,694,406) | (130,990,687) |
| Payment for leasing liabilities | (17,153,317) | (5,526,171) | (15,715,400) | (4,238,804) |
| Interest Paid | (16,640,379) | (19,257,000) | (15,882,886) | (17,370,589) |
| Dividends paid to the shareholders of the Company | (10,102,506) | - | (10,102,506) | - |
| Interest payment for operating leases | (4,973,459) | (2,961,618) | (3,277,371) | (1,362,697) |
| **Cash Flow from continuing and discontinued Financing Activities (c)** | **(97,731,744)** | **(163,393,257)** | **(90,672,569)** | **(153,962,777)** |
| **Cash Flow from Discontinued Financing Activities** | **(1,492,691)** | **(533,898)** | **-** | **-** |
| **Cash Flow from Continuing Financing Activities** | **(96,239,054)** | **(162,859,359)** | **(90,672,569)** | **(153,962,777)** |
| (Increase)/ Decrease of restricted cash deposits from continuing and discontinued activities | 1,411,351 | 6,270,291 | 1,411,351 | 12,013,644 |
| **Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)** | **(12,242,042)** | **(19,903,369)** | **(10,376,739)** | **(27,789,045)** |
| Cash and cash equivalents at the beginning of the year | 95,976,073 | 109,609,151 | 80,184,439 | 95,959,841 |
| **Cash and cash equivalent from continuing and discontinued activities at the end of the year** | **85,145,382** | **95,976,073** | **71,219,051** | **80,184,439** |
| **Cash and cash equivalent from discontinued activities at the end of the year** | **8,653,177** | **11,214,022** | | |
| **Cash and cash equivalent from continuing activities at the end of the year** | **76,492,204** | **84,762,051** | | |

The following notes are integral part of the Financial Statements.

**AVAX S.A.**
**ANNUAL STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY AT 31st DECEMBER 2023**
**(All amounts in Euros)**

**GROUP**

| Annual changes in shareholder's equity for the January 1st, 2023 to December 31st 2023 period | Share Capital | Share Premium | Revaluation reserves for financial assets at fair value | Reserves from foreign profits Law 4171/61 | Reserves art 48 Law 4172/2013 | Translation exchange differences | Other Reserves | Retained earnings | Share Capital & Reserves | Non-Controlling Interests | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance 01.01.2022-Published Data** | **43,296,455** | **146,651,671** | **72,254,545** | **17,489,312** | **235,005,368** | **(3,708,175)** | **34,699,549** | **(449,462,743)** | **96,225,982** | **14,192,033** | **110,418,014** |
| Net profit for the period | - | - | - | - | - | - | - | 38,109,722 | 38,109,722 | 1,772,798 | 39,882,520 |
| Other income for the period | - | - | 15,583,051 | - | - | (156,715) | 5,409,895 | - | 20,836,232 | - | 20,836,232 |
| **Total comprehensive income for the period** | **-** | **-** | **15,583,051** | **-** | **-** | **(156,715)** | **5,409,895** | **38,109,722** | **58,945,953** | **1,772,798** | **60,718,752** |
| Dividends Reserves of art.48 L.4172/2013 | - | - | - | - | 35,321,968 | - | - | (35,321,968) | - | - | - |
| Reserves from foreign profits Law 4171/61 | - | - | - | 21,187,632 | - | - | - | (21,187,632) | - | - | - |
| Subsidiaries/participations disposal | - | - | - | - | - | - | - | - | - | (15,835,035) | (15,835,035) |
| Other movements | - | - | - | - | - | - | (149,660) | (1,016,095) | (1,165,755) | 774,292 | (391,463) |
| **Balance 31.12.2022** | **43,296,455** | **146,651,671** | **87,837,596** | **38,676,944** | **270,327,337** | **(3,864,890)** | **39,959,784** | **(468,878,716)** | **154,006,181** | **904,088** | **154,910,268** |
| | | | | | | | | | | | |
| **Balance 01.01.2023-Published Data** | **43,296,455** | **146,651,671** | **87,837,596** | **38,676,944** | **270,327,337** | **(3,864,890)** | **39,959,784** | **(468,878,716)** | **154,006,181** | **904,088** | **154,910,268** |
| Net profit for the period | - | - | - | - | - | - | - | 10,304,499 | 10,304,499 | 103,693 | 10,408,192 |
| Other income for the period | - | - | 7,265,877 | - | - | (668,021) | (144,306) | - | 6,453,550 | - | 6,453,550 |
| **Total comprehensive income for the period** | **-** | **-** | **7,265,877** | **-** | **-** | **(668,021)** | **(144,306)** | **10,304,499** | **16,758,049** | **103,693** | **16,861,742** |
| Reserves from foreign profits Law 4171/61 | - | - | - | 12,241,775 | - | - | - | (12,241,775) | - | - | - |
| Dividends Reserves of art.48 L.4172/2013 | - | - | - | - | 253,822,706 | - | - | (252,794,122) | 1,028,584 | - | 1,028,584 |
| Statutory Reserves | - | - | - | - | - | - | 3,860,117 | (3,875,358) | (15,241) | - | (15,241) |
| Dividend Distribution | - | - | - | - | (10,102,506) | - | - | - | (10,102,506) | - | (10,102,506) |
| Additions/(Disposals) of non controlling | - | - | - | - | - | - | (101,090) | - | (101,090) | - | (101,090) |
| Share Capital increase, capitalising part of Share Premium Reserve (note 30) | 1,200,000 | (1,200,000) | - | - | - | - | - | - | - | - | - |
| Other movements | - | - | - | - | - | - | - | (2,960,464) | (2,960,464) | 101,010 | (2,859,454) |
| **Balance 31.12.2023** | **44,496,455** | **145,451,671** | **95,103,473** | **50,918,719** | **514,047,536** | **(4,532,912)** | **43,574,505** | **(730,445,935)** | **158,613,512** | **1,108,791** | **159,722,303** |

**COMPANY**

| Annual changes in shareholder's equity for the January 1st, 2023 to December 31st 2023 period | Share Capital | Share Premium | Revaluation reserves for financial assets at fair value | Reserves from foreign profits Law 4171/61 | Reserves art 48 Law 4172/2013 | Translation exchange differences | Other Reserves | Retained earnings | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance 01.01.2022-Published Data** | **43,296,455** | **146,651,671** | **247,819,045** | **17,489,312** | **235,005,368** | **(4,917,601)** | **23,065,795** | **(404,249,972)** | **304,160,073** |
| Net profit for the period | - | - | - | - | - | - | - | 50,838,770 | 50,838,770 |
| Other income for the period | - | - | (195,722,569) | - | - | (42,895) | 136,297,272 | - | (59,468,191) |
| **Total comprehensive income for the period** | **-** | **-** | **(195,722,569)** | **-** | **-** | **(42,895)** | **136,297,272** | **50,838,770** | **(8,629,421)** |
| Dividends Reserves of art.48 L.4172/2013 | - | - | - | - | 18,070,205 | - | - | (18,070,205) | - |
| Reserves from foreign profits Law 4171/61 | - | - | - | 21,187,632 | - | - | - | (21,187,632) | - |
| Other movements | - | - | - | - | - | - | (134,145,005) | 134,145,005 | - |
| **Balance 31.12.2022** | **43,296,455** | **146,651,671** | **52,096,477** | **38,676,944** | **253,075,574** | **(4,960,496)** | **25,218,062** | **(258,524,033)** | **295,530,652** |
| | | | | | | | | | |
| **Balance 01.01.2023-Published Data** | **43,296,455** | **146,651,671** | **52,096,477** | **38,676,944** | **253,075,574** | **(4,960,496)** | **25,218,062** | **(258,524,033)** | **295,530,652** |
| Net profit for the period | - | - | - | - | - | - | - | 8,790,707 | 8,790,707 |
| Other income for the period | - | - | 13,634,459 | - | - | (1,908,418) | 1,634,070 | - | 13,360,112 |
| **Total comprehensive income for the period** | **-** | **-** | **13,634,459** | **-** | **-** | **(1,908,418)** | **1,634,070** | **8,790,707** | **22,150,819** |
| Reserves from foreign profits Law 4171/61 | - | - | - | 12,241,775 | - | - | - | (12,241,775) | - |
| Dividends Reserves of art.48 L.4172/2013 | - | - | - | - | 229,742,603 | - | - | (229,742,603) | - |
| Dividend Distribution | - | - | - | - | (10,102,506) | - | - | - | (10,102,506) |
| Share Capital increase, capitalising part of Share Premium Reserve (note 30) | 1,200,000 | (1,200,000) | - | - | - | - | - | - | - |
| Statutory Reserves | - | - | - | - | - | - | 2,541,938 | (2,541,938) | - |
| **Balance 31.12.2023** | **44,496,455** | **145,451,671** | **65,730,936** | **50,918,719** | **472,715,670** | **(6,868,914)** | **29,394,071** | **(494,259,643)** | **307,578,965** |

The following notes are integral part of the Financial Statements.

# Notes and accounting policies

## A. ABOUT THE COMPANY

### A.1 General Information about the Company and the Group

AVAX S.A. was listed on the Athens Stock Exchange's Main Market in 1994 and is based in Marousi, in the Attica prefecture. It boasts substantial expertise spanning the entire spectrum of construction activities (infrastructure projects, civil engineering, BOTs, precast works, real estate etc.) both in Greece and abroad.

In 2002, AVAX S.A. merged with its subsidiaries J&P (Hellas) S.A. and ETEK S.A. and was renamed into J&P-AVAX S.A, whereas another 100% subsidiary unit, namely ETETH S.A., merged with its own subsidiary AIXMI S.A. The new business entities which evolved out of these mergers made use of Law 2940/2001 on contractors' certification for public works. The Group's leading company AVAX S.A. was awarded a 7$^{th}$-class public works certificate, which is the highest class available, whereas ETETH S.A. acquired a 6$^{th}$-class certificate. In the year 2007 Avax SA acquired the subsidiary Athena SA. which during 2018 was merged by absorption by the Company following the submission of an optional public offer and the exercise of the squeeze-out right of the minority shareholders of ATHENA SA.

At the beginning of 2019, the Company was renamed to AVAX SA again in accordance with the General Meeting of Shareholders of the Company on 27/03/2019 and the Approval Decision No. 40094/09-04-2019 by the Ministry of Economy and Development.

### A.2 Activities

Group strategy is structured around three main pillars:

- **Concessions**
  - Intense presence in concession project tenders, to maintain a substantial backlog of projects and secure long-term revenue streams.
  - Strengthening the project finance business unit and expanding our network of specialized external business partners (design consultants, financial and insurance advisors, legal firms) to enhance the Group's effectiveness in bidding for concession projects and maximize the return from their operation by means of financial risk management.

- **Business Activities**
  - Development along the lines of major international construction groups, diversifying revenue through expansion into related business areas, e.g. environmental projects, facility maintenance & management, waste management, maintenance of large infrastructure projects, as well as unrelated activities that offer satisfactory prospects, such as the Auteco network for vehicle technical inspection.

- **Energy**
  - Emphasis on industrial projects in the energy sector, for the construction of power generation and LNG plants, specializing in EPC type projects (design and construction).

## B. FINANCIAL REPORTING STANDARDS

### B.1. Compliance with I.F.R.S.

AVAX S.A.'s consolidated accounts for the period running from January 1$^{st}$, 2023 to December 31$^{st}$, 2023 conform to the International Financial Reporting Standards (I.F.R.S.) issued by the International Accounting Standards Board (I.A.S.B.) and the interpretations issued by IASB's International Financial Reporting Interpretation Committee (I.F.R.I.C.) which have been adopted by the European Union.

### B.2. Basis of preparation of the financial statements

Consolidated and Company Financial Statements of AVAX S.A. have been prepared on a going concern basis and the historical cost principle as amended by adjusting specific assets and liabilities to current values except for certain financial assets and liabilities (including derivatives), valued at fair value.

The policies listed below have been consistently applied throughout the periods presented.

The preparation of financial statements in accordance with I.F.R.S. requires the use of estimates and judgments when applying the Company's accounting policies. Significant assumptions (C.23) by management for the application of the company's accounting policies have been identified where appropriate.

## C. BASIC ACCOUNTING PRINCIPLES

The Group consistently applies the following accounting principles in preparing the attached Financial Statements:

### C.1. Consolidated financial statements (I.F.R.S. 10) and Business Combinations (I.F.R.S. 3)

#### Investments in Subsidiaries

All companies managed and controlled, either directly or indirectly, by another company (parent) through ownership of a majority share in the voting rights of the company in which the investment has been made. Subsidiaries are fully consolidated (full consolidation) with the purchase method starting on the date on which their control is assumed, and are excluded from consolidation as soon as their control is relinquished.

Acquisitions of subsidiaries by the Group are entered according to the purchase method. Subsidiary acquisition cost is the fair value of all assets transferred, of all shares issued and all liabilities at the acquisition date, plus any costs directly related to the transaction. The specific assets, liabilities and contingent liabilities acquired through a business combination are accounted for at their fair values irrespective of the percentage of participation. The acquisition cost in excess of the fair value of the acquired net assets is entered as goodwill. Should the total acquisition cost fall short of the fair value of the acquired net assets, the difference is directly entered in the Income Statement.

Intragroup sales, balances and un-realised profits from transactions among Group companies are omitted. Losses among Group companies (un-realised on a Group level) are also eliminated, except when the transaction provides evidence of impairment of the transferred asset. The accounting principles of subsidiaries have been amended for uniformity purposes relative to those adopted by the Group.

At the Company's balance sheet, investment in subsidiaries is stated at cost less loss from impairment, if any. IAS 36 "Impairment of Assets" requires an impairment test if there is any indication that an asset is impaired.

#### Investments in Associates (I.A.S. 28)

All companies which the Group may influence significantly but do not qualify for subsidiary or Joint Venture status. The Group's assumptions call for ownership between 20% and 50% of a company's voting rights to have significant influence on it. Investments in associates are initially entered in the Company's books at cost and subsequently consolidated using the equity method.

The Group's share into the profit or loss of associates following the acquisition is recognised into the Income Statement, whereas the share into changes in capital reserves following the acquisition is recognised into the reserves. Accumulated changes affect the book value of investments in associates. When the Group's participation into the financial loss of an associate is equal to or exceeds its participation in the associate, inclusive of provisions for bad debts, the Group does not recognise any further losses, except when covering liabilities or making payments on behalf of the associate, or taking other actions as part of its shareholder relationship.

Unrealised profits from transactions between the Group and its associates are omitted according to the participation of the group into those associates. Unrealised gains are omitted, unless the transactions suggest impairment of the transferred assets. Accounting principles of associates have been amended for uniformity purposes relative to those adopted by the Group.

### Joint Arrangements (I.F.R.S. 11)

I.F.R.S. 11 focuses on the rights and obligations arising from the joint arrangements, rather than in their legal form.

A common agreement has the following basic features:
• The parties are bound by a contractual agreement
• The contractual agreement confers on two or more of the parties joint control

The IFRS classifies joint arrangements into two types—joint operations and joint ventures.

• A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement.
• A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement.

An entity determines the type of joint arrangement in which it is involved by considering its rights and obligations.

An entity assesses its rights and obligations by considering the structure and legal form of the arrangement, the contractual terms agreed to by the parties to the arrangement and, when relevant, other facts and circumstances. The factors that the Group tests to determine that joint arrangements are under common control include the structure, legal form, contractual arrangement and other facts and circumstances.

The IFRS requires to recognize and to account for a joint arrangement proportionate consolidation – the party's share of assets, liabilities, income and expenses of a jointly controlled entity was combined line-by-line with similar items in the companies' financial statements.

Also, the party to a joint venture shall account for the above data relating to its participation in the joint venture under the relevant IFRS.

**Group Structure:** AVAX Group consists of the following subsidiaries, which are consolidated with the full consolidation method:

| Company | % of AVAX's SA participation | Fiscal Years not tax audited |
|---|---|---|
| AVAX S.A., Athens | Parent | 2018-2023 |
| ETETH S.A., Salonica | 100% | 2018-2023 |
| ELVIEX Ltd, Ioannina | 60% | 2018-2023 |
| AVAX DEVELOPMENT SINGLE MEMBER S.A., Athens | 100% | 2018-2023 |

| | | |
|---|---|---|
| TASK AVAX SINGLE MEMBER S.A., Athens | 100% | 2018-2023 |
| CONCURRENT REAL INVESTMENTS SRL, Romania | 95.24% | 2005-2023 |
| SC BUPRA DEVELOPMENT SRL, Romania | 99.93% | 2005-2023 |
| AVAX IKTEO S.A., Athens | 94% | 2018-2023 |
| SC FAETHON DEVELOPMENTS SRL, Romania | 100% | 2006-2023 |
| AVAX CONCESSIONS SINGLE MEMBER S.A, Athens | 100% | 2018-2023 |
| ATHENS MARINA S.A., Athens | 99.92% | 2018-2023 |
| AVAX INTERNATIONAL LTD, Cyprus | 100% | 2018-2023 |
| AVAX MIDDLE EAST LTD, Cyprus | 100% | 2019-2023 |
| GAS AND POWER TECH DMCC, United Arab Emirates | 100% | 2019-2023 |
| ABU DHABI J&PP LLC (under liquidation), Abu Dhabi | 49% | 2019-2023 |
| AVAX (CYPRUS) LTD, Cyprus | 100% | 2020-2023 |
| CONSPEL CYPRUS, Cyprus | 100% | 2019-2023 |
| GLAVIAM HELLAS SINGLE MEMBERED COMPANY LTD | 100% | 2018-2023 |
| ATHENA LIBYA COMPANY, Libya | 65% | - |
| ATHENA CONCESSIONS S.A., Athens | 99% | 2019-2023 |
| ERGONET S.A., Athens | 51.52% | 2018-2023 |
| P.S.M. SUPPLIERS LTD, Libya | 100% | 2019-2023 |
| IXION ENERGY S.A., Athens | 100% | 2018-2023 |
| MONDO TRAVEL S.A., Athens ( | 99.99% | 2018-2023 |

**Discontinued Operations**

| | | |
|---|---|---|
| VOLTERRA S.A., Athens | 100% | 2018-2023 |

During the year, MONDO TRAVEL S.A., has been liquidated.

For the fiscal years 2015 until 2022 the parent Company and its subsidiaries that are tax audited in Greece have been subjected to tax auditing from an auditor in accordance with article 65A para 1 of Law 4174/2013 and have received a “Tax Compliance Certification” with an unqualified opinion. It should also be noted that for fiscal years 2016 onwards, tax audit and issuance of a Certificate of Tax Compliance by the statutory auditors are optional. The Group and the Company have opted for continued audit by the statutory auditors.

The Large Corporation Tax Bureau has carried out tax audits up to the fiscal year 2016, while for the fiscal years 2017 and 2021 the tax audit is ongoing.

For the fiscal year 2023, the parent Company and its subsidiaries that are tax audited in Greece have been subjected to tax auditing from an auditor in accordance with article 65A para 1 of Law 4174/2013 as it is amended and still in force . This control is in progress and the related tax certificate is projected to be provided after the publication of the financial statements of 2023. The Group's management believes that upon completion of the tax audit no additional tax liabilities will be occur that will have substantial impact beyond those recognized and reported in the financial statements.

The Group consolidates the following associates using the equity method:

| | |
|---|---|
| 5N S.A., Athens | 45.00% |
| ATHENS CAR PARKS S.A., Athens | 28.99% |
| ATTICA DIODIA S.A., Athens | 34.22% |
| ATTIKI ODOS S.A., Athens | 34.21% |
| POLISPARK S.A., Athens | 33.00% |
| CYCLADES ENERGY CENTER S.A., Athens | 45.00% |
| SALONICA PARK S.A., Athens | 24.70% |
| AEGEAN MOTORWAY S.A., Larissa | 23.61% |
| KEDRINOS LOFOS S.A., Athens | 50.00% |
| KEDRINOS LOFOS OPERATION S.A., Athens | 50.00% |
| PIRAEUS ST. NICOLAS CAR PARK S.A., Athens | 54.79% |
| MARINA LIMASSOL S.A., Limassol | 33.50% |
| METROPOLITAN ATHENS PARK S.A., Athens | 25.70% |
| STARWARE ENTERPRISES LTD, Cyprus | 50.51% |
| VIOENERGEIA S.A., Greece | 45.00% |
| ILIA WASTE MANAGEMENT PPP, Greece | 50.00% |
| ILIA WASTE MANAGEMENT OPERATION, Greece | 50.00% |

Joint arrangements (construction consortia or companies) which the parent Company or its subsidiaries participate in, are consolidated with the method of proportional consolidations in the financial statements of the parent Company, or its subsidiaries respectively. The total participations in joint arrangements (construction consortia) are as follows:

| | | |
|---|---|---|
| 1. | J/V APION KLEOS (ELEFSINA-PATRA & PATRA-PYRGOS), Elefsina | 35.70% |
| 2. | J/V CONSTRUCTION MALIAKOS – KLEIDI, Larissa | 20.70% |
| 3. | J/V AKTOR – AVAX OTE NETWORKS, Athens | 50.00% |
| 4. | J/V AKTOR – AVAX, Athens (Maintenance of National Natural Gas Network), Athens | 50.00% |
| 5. | J/V AVAX – GHELLA SpA, (Metro Line 3), Piraeus | 60.00% |
| 6. | J/V AKTOR SA – AVAX SA., Athens (New Maintenance of Attiki Odos) | 34.22% |
| 7. | J/V AKTOR SA – AVAX SA – TERNA SA, Athens (Tithorea-Domokos-Sub Project D, Bridge) | 31.00% |
| 8. | J/V AKTOR SA – AVAX SA (Construction of Gas Networks), Athens | 50.00% |
| 9. | J/V AKTOR SA – AVAX SA (Attica Gas Networks & Pipelines), Athens | 60.00% |
| 10. | J/V AVAX SA – AKTOR ("MACEDONIA" AIRPORT), Thessaloniki | 70.00% |
| 11. | J/V AVAX SA – AKTOR SA (Gas Projects, PUBLIC GAS NETWORK OPERATION), Athens | 50.00% |
| 12. | J/V AVAX SA. - GHELLA S.p.A. (SUBWAY Line 4), Athens | 99.99% |
| 13. | J/V AKTOR SA – AVAX SA – ERGOTEM (D-6684), Psitallia | 40.00% |
| 14. | J/V AKTOR CONCESSIONS SA – AVAX SA (Toll Station Operation & Support Services of "EGNATIAS ODOS SA"), Egnatia Odos | 35.00% |
| 15. | J/V AVAX SA – MYTILINEOS SA (Upgrading Eastern Ring Road Thessaloniki-FLYOVER), Thessaloniki | 50.00% |
| 16. | J/V MESOGEIOS SA – AVAX SA (Landfill Site Construction of Ilia Regional Unity) | 50.00% |
| 17. | J/V RIZZANI-AVAX (EARLY CONTRACTOR INVOLVEMENT (ECI) FOR VOULIAGMENIS MALL COMPLEX (VMC)) | 40.00% |
| 18. | J/V AVAX SA – ETETH SA (CONTSRUCTION OF HOSPITALS KOMOTINI, THESSALONIKI, SPARTI (SNF)) | 100.00% |
| 19. | J/V QUEEN ALIA AIRPORT, Jordan | 50.00% |
| 20. | BONATTI J&P-AVAX Srl, Italy | 45.00% |
| 21. | J&P AND J&P AVAX J/V – QATAR BUILDING, Cyprus | 45.00% |
| 22. | AVAX-J&P LTD-CYBARCO MARINA LIMASSOL J/V, Cyprus | 55.00% |

| | | |
|---|---|---|
| 23. | AVAX SA – TERNA J/V MEDITERRANEAN CITY OF DREAMS | 60.00% |
| 24. | J/V TSO-ARCHIRODON - ERGONET (indirect participation), Alexandroupoli | 22.95% |
| 25. | J/V ARCHIRODON – ERGONET (indirect participation), Alexandroupoli | 25.50% |
| 26. | J/V D.SIRDARIS & CO – ERGONET (indirect participation), Athens | 15.30% |
| 27. | J/V PROET SA – ERGONET SA (indirect participation), Chania | 25.50% |
| 28. | J/V ERGONET SA – PROET SA (indirect participation), Kos | 25.50% |
| 29. | J/V EURARCO SA – ERGONET SA (SPERCHEIOS) (indirect participation), Larisa | 7.65% |
| 30. | J/V IOS SINGLE MEMBER SA - TASK AVAX SINGLE MEMBER SA (Cleaning of Refugee and Immigrant Structures), (indirect participation) | 80.00% |
| 31. | J/V AKTOR ATE – ETETH SINGLE MEMBER SA (Toll Station Operation & Support Services of "EGNATIAS ODOS SA"), (indirect participation), Thessaloniki | 35.00% |

The following Joint Arrangements are not included in current period's financial statements in comparison with those of previous one because the projects are now completed:

| | | |
|---|---|---|
| 1. | J/V AKTOR SA – AVAX SA., Achaia (Panagopoula) | 33.91% |
| 2. | J/V AKTOR SA – AVAX SA – TERNA SA, Athens (Tithorea-Domokos Concessionaire), Lamia | 33.33% |
| 3. | J/V AKTOR SA – AVAX SA (D-1618), Psitallia | 30.00% |
| 4. | J/V AVAX SA – MESOGEIOS SA (ILIA WASTE TREATMENT), Ilia | 50.00% |
| 5. | J/V AVAX SA – INTRAKAT SA – MYTILINEOS SA – TERNA SA (Construction of an artificial barrier of the border line of Evros), Evros | 25.00% |
| 6. | J/V J&P AVAX S.A – J&P Ltd (Vassilikos III), Cyprus | 75.00% |

**C.2a. Property, Plant & Equipment (I.A.S. 16)**

Group Management has utilised the basic valuation method (at acquisition cost, less accumulated amortisation and impairments), as per IAS 16, for classifying operating fixed assets (Technical Equipment, Vehicles, Furniture and other Equipment).

The revaluation method was chosen by management for classifying land and fixtures.

## Revaluation Model

Upon recognition as an asset, a fixed asset whose fair value may be estimated reliably may be revalued, to reflect the fair value at recognition date less any subsequent accumulated impairment of value.

The fair value of land and buildings is usually appraised by auditor-valuators. The fair value of equipment and fixtures is usually their acquisition price.

When tangible fixed assets are revalued, the entire class of similar assets should be revalued. When the book value of a fixed asset increases as a result of revaluation, the increase is credited directly into the Equity as a Revaluation Surplus. Increases in value due to revaluation will be recognised through the Income Statement to the extend it reverses an earlier impairment of the same asset, charged in the Income Statement.

Should the book value of an asset be reduced as a result of a revaluation, the decrease in value should be charged in the Income Statement. If a revaluation surplus for that asset exists in Equity, the decrease will be charged directly into Equity up to the value of that surplus. Revaluation surpluses in Equity are transferred to Retained Earnings as soon as the fixed assets are sold or derecognized. Tax effects on the revaluation of tangible fixed assets are recognised and disclosed according to IAS 12 Income Tax. The initial implementation of a tangible fixed asset revaluation policy is treated as a revaluation according to IAS 16, not IAS 8.

While applying I.A.S. 36 (on Impairment of Assets), on each reference date, Group management effectively estimates whether its asset base shows signs of impairment, comparing the residual value for each asset against its book value.

Subsequent expenditure on fixed assets already appearing on the Company's books are added to that asset's book value only if they increase its future economic benefits. All expenditure (maintenance, survey etc.) for assets not increasing their future economic benefits are realised as expenses in the financial period incurred.

Expenditures incurred for a major repair or survey of a fixed asset are realised as expenses in the financial period in which they are incurred, except when increasing the future economic benefits of the fixed asset, in which case they are added to the book value of the asset.

Depreciation of tangible fixed assets (excluding land which is not depreciated) is calculated on a straight-line basis according to their useful lives. The main depreciation rates are as follows:

| | |
|---|---|
| Operating Property (buildings) | 3% |
| Machinery | 5.3% - 20% |
| Vehicles | 7.5% - 20% |
| Other equipment | 15% - 20% |

Residual values and useful lives of tangible fixed assets are subject to revision on balance sheet date. When the book value of fixed tangibles exceeds their recoverable value, the difference (impairment loss) is directly charged as an expense item in the Income Statement.

When disposing of tangible fixed assets, the difference between the revenue from the sale and the book value of the assets is realised as profit or loss in the Income Statement.

Own-produced fixed tangibles constitute an addition to the acquisition cost of the assets in the form of direct cost of personnel participating in their production (including related employer's social security contributions), cost of materials and other general expenses.

## C.2b. Investment Property (IAS 40)

For investment property, management has opted to apply the method of revaluation (fair values), based on IAS 40.

Management believes that the use of fair values in appraising investment property provides reliable and more pertinent information, because it is based on updated prices.

## C.3. Intangible Assets (I.A.S. 38)

Only expenses meeting the criteria of I.A.S. 38.18 are capitalized, such as expenses for computer software and licenses.
Intangible assets includes computer licenses.

## C.4. Impairment of Assets (I.A.S. 36)
### i) Goodwill

Goodwill represents the additional price paid by the Group for the acquisition of new subsidiaries, joint ventures, and associates. It arises from the comparison of the price paid for the acquisition of a new company with the proportion of the group share to the fair value of the net assets, during the acquisition date. The arisen goodwill from the acquisition of the new subsidiaries and joint ventures is recognized to intangible assets. Every year impairment test for the goodwill is conducted, which decreases the original amount as it is recognized in the balance sheet. During the calculation of profit or loss arisen from participation disposal, the relevant (if any) goodwill is taken under consideration of the disposed company.

For an easier processing of impairment tests, goodwill is allocated to Cash Generating Units (CGU's). The CGU is the smallest identifiable unit of assets which creates independent cash flows and represents the level at which the Group collects and presents the financial data for reasons of internal information. The impairment for the goodwill, is determined from the calculation of the recoverable amount of the CGU's with which the goodwill is connected. Impairment loss which is related with goodwill cannot be reversed in future periods. The Group conducts the annual test for goodwill impairment at 31 December of each accounting period.

In case that the fair value of net assets of a company during the acquisition date is higher than the price paid for the acquisition, negative goodwill is recognized (income), which goes directly in the Income Statement.

### ii) Other Assets

Intangible assets with an infinite useful life are not depreciated and are subject to annual review for impairment, whenever events take place showing their book value is not recoverable. Assets being depreciated are subject to review of their value impairment when there are indications that their book value shall not be recovered.

Net Selling Price (NSP) is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less the costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. At each balance sheet date, management assess whether there is an indication of impairment as required by I.A.S. 36, requiring that the book value of assets does not exceed their recoverable amount. Recoverable amount is the highest between Net Selling Price and Value in Use.

This evaluation also takes into account all available information, either from internal or external sources. Impairment review is applied on all assets except for inventories, construction contracts, deferred tax receivables, financial assets falling under I.F.R.S. 9, investment property and non-current assets classified as being held for disposal.

Impairment losses are charged in the Income Statement.

## C.5. Inventories (I.A.S. 2)

On Balance Sheet date, inventories are valued at the lowest between cost and Net Realisable Value (NRV). NRV is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. Inventory cost does not include financial expenses.

### C.6. Financial Instruments: Presentation (I.A.S. 32)

The principles in this Standard complement the principles for recognising and measuring financial assets and financial liabilities in IFRS 9 Financial Instruments.

This Standard is concerned with the classification of financial instruments into financial assets, financial liabilities and equity instruments, as well as the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities should be offset.

A *financial instrument* is any contract that simultaneously gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

*Participatory security* is any contract that proves a right to the remaining balance, if from the assets of an entity are deducted its liabilities.

*Fair value* defined the price that somebody would receive for the sale of an asset or that somebody would pay for the transfer of an obligation to a normal transaction between market participants at the date of measurement.

### C.7. Financial Instruments: Disclosures (I.F.R.S. 7)

I.F.R.S. 7 refers to all risks arising from all financial instruments, except those instruments specifically excluded (e.g. interests in subsidiaries, associates and joint ventures, etc.). The objective of the disclosures is to provide an overview of the Group's use of financial instruments and its exposure to risks they create. The extent of the disclosure required depends on the extent of the Company's use of financial instruments and its exposure to risk.

### C.8. Provisions, Contingent Liabilities and Contingent Assets (I.A.S. 37)

Provisions are recognized when the Group faces legal or substantiated liabilities resulting from past events, their settlement may result in an outflow of resources and the amount of the liability can be reliably estimated. Provisions are reviewed on Balance Sheet date and adjusted to reflect the present value of the expense estimated for settling the liability. Contingent liabilities are not recognized in the financial statements but nevertheless are disclosed in the accompanying notes, except when the probability of an outflow of resources is minimal. Contingent assets are not recognized in the financial statements, but are disclosed in the notes, provided an inflow of economic benefits is probable.

### C.9. Accounting for Government Grants and disclosure of Government Assistance (I.A.S. 20)

The Group recognizes government grants (subsidies) only when there is reasonable assurance that:

a) the enterprise will comply with any conditions attached to the grants,
b) the grant is likely to be received.

Subsidies are entered in the company's books at their fair value and recognized on a consistent basis as revenue, in accordance with the principle of matching the receipts of subsidies with the related expenses.

Subsidies on assets are included in long-term liabilities as deferred income and recognized on a consistent basis as revenues over the expected useful life of the assets.

## C.10. The effects of changes in Foreign Exchange Rates (I.A.S. 21)

The financial statements of all Group companies are prepared using the currency of the economic area which the Group mainly operates in (operating currency). Consolidated financial reports are denominated in euros, the operating and presentation currency of the parent Company and its subsidiaries.

Transactions in foreign currency are converted in the operating currency according to the going foreign exchange rates on the date on which transactions take place.

Profit and losses from foreign exchange differences arising from settlement of transactions in foreign currency during the financial reporting period and the conversion of monetary items denominated in foreign currency according to the going exchange rates on balance sheet date are recognised in the Income Statement. Foreign exchange adjustments for non-monetary items valued at fair value are considered part of the fair value and are therefore treated as differences in fair value.

## C.11. Earnings per share (I.A.S. 33)

Expenses incurred due to the issue of new shares appear below the deduction of related income tax, reducing the net proceeds from the issue. Expenses incurred due to the issue of new shares to finance the acquisition of another company are included in the target company's total acquisition cost.

## C.12. Dividend Distribution (I.A.S. 10)

Dividend distribution to the parent's shareholders is recognized as a liability in the consolidated financial statements at the date that the distribution is approved by the General Meeting of Shareholders.

## C.13. Income Taxes & Deferred Tax (I.A.S. 12)

Income tax expenses appearing in the Income Statement include both tax for the period and deferred tax, which correspond to tax charges or tax returns arising from benefits realized within the reporting period in question but booked by the tax authorities in earlier or later reporting periods. Income tax is recognized in the Income Statement for the reporting period, except for tax relating to transactions directly charged against shareholders' funds; in that case, income tax is similarly charged directly against shareholders' funds.

Current income tax includes short-term liabilities and/or receivables from the tax authorities related to payable tax on the taxable income of the reporting period, as well as any additional income tax from earlier reporting periods.

Current tax is calculated according to the tax rates and fiscal legislation applied on each reporting period involved, based on the taxable income for the year. All changes in short-term tax items listed on either side of the balance sheet are recognized as part of the tax expense in the Income Statement.

Deferred income tax is calculated by means of the liability arising from the temporary difference between book value and the tax base of asset and liabilities. No deferred income tax is entered when arising from the initial recognition of assets or liabilities in a transaction, excluding corporate mergers, which did not affect the reported or taxable profit / loss at that time.

Deferred tax income and liabilities are valued according to the tax rates expected to apply in the reporting period in which the receipt or payment will be settled, taking into account the tax rates (and fiscal laws) introduced or in effect until the reporting date. The tax rate in effect on the day following the reporting date is used whenever the timing of reversal of temporary differences cannot be accurately determined.

Deferred tax receivables are recognized to the extent in which taxable profits will arise in the future while making use of the temporary difference which gives rise to the deferred tax receivable.

Deferred income tax is recognized for the temporary differences arising from investments in subsidiaries and affiliates, excluding those cases where de-recognition of temporary differences is controlled by the Group and temporary differences are not expected to be derecognized in the foreseeable future.

Most changes in deferred tax receivables or liabilities are recognised as tax expenses in the Income Statement. Only changes in assets or liabilities affecting temporary differences (e.g. asset revaluations) which are recognized directly against the Group's shareholders' funds do result in changes in deferred tax receivables or liabilities being charged against the relevant revaluation reserve.

### C.14. Personnel Benefits (I.A.S. 19)

Short-term benefits:
Short-term benefits to personnel (excluding termination benefits) in money and in kind are recognized as an expense when deemed payable. Portions of the benefit yet unpaid are classified as a liability, whereas if the amount already paid exceeds the benefit then the company recognizes the excess amount as an asset (prepaid expenses) only to the extent to which the prepayment will result in a reduction in future payments or to a fund return.

Retirement benefits:
Benefits at retirement from service include a defined contribution plan as well as a defined benefit plan.

Defined Contribution Plan:
According to the plan, the company's legal liability is limited to the amount agreed for contribution to the institution (social security fund) managing employer contributions and handing out benefits (pensions, medical plans etc).
The accrued cost of defined contribution plans is classified as an expense in the corresponding financial reporting period.

Defined Benefit Plan:
The Company has legal liability for personnel benefits due to lay-offs ahead of retirement date or benefits upon retirement from service, in accordance with pertinent legislation.
The Projected Unit Credit Method is used to calculate the present value of defined benefit obligations, the related current cost of services and the cost of services rendered which is the accrued services method, according to which benefits are paid at the financial periods in which the retirement benefit liability is founded. Liabilities arise while employees provide services qualifying for retirement benefits.
The Projected Unit Credit Method therefore requires that benefits are paid in both the current reporting period (to calculate the current cost of services) and in the current and past reporting periods (to calculate the present value of defined benefit obligations).
Despite the fact that remaining in service with the Company is a prerequisite for receiving benefits (ie benefits cannot be taken for granted by employees), liabilities are calculated using actuarial methods as follows:

Demographic Assumptions: Personnel Turnover (Staff Resignations / Staff Lay-offs), and

Financial Assumptions: discount rate, future salary levels (calculated using government bond yield of equal maturities) and estimated future changes in state benefits affecting payable benefits.

The Group has not formally or unofficially activated any special benefit program for its employees, which program is committed to benefits in case of departure of employees. The only program that is valid and has been activated in the past is the contractual obligation to provide a lump sum according to 40% of the scale (based on the current legislation l.2112 / 20, l.3198 / 55 and l.4093 / 12).

Also, the Company is not bound, neither legally nor presumably, by the provision of labor law (paragraph (a) of article 8 of law 3198/55), on compensation of employees who leave voluntarily after completing 15 years of service. The company also intends to maintain the aforementioned "non-commitment" regime towards employees in the future.

## C.15. Leases (I.F.R.S. 16)

Leases are recognized in the Statement of Financial Position as a right to use an asset and a lease obligation on the date that the leased asset becomes available for use. Each lease is divided between the lease liability and the interest, which is charged to the results throughout the term of the lease, in order to obtain a fixed interest rate on the balance of the financial liability in each period.

**Subsequent measurement**

<u>Subsequent measurement of right of use asset</u>
After the lease date commencement, the Group measures the right to use the asset in the cost model: (a) less any accumulated depreciation and impairment losses, and (b) adjusted for any subsequent lease measurement, applies the requirements of IAS 16 regarding the depreciation of the right to use an asset, which it examines for impairment.
<u>Subsequent measurement of the lease liability</u>
Following the effective date of the lease period, the Group measures the lease liability as follows: (a) increasing the carrying amount to reflect the financial cost of the lease; (b) reducing the carrying amount to reflect the lease, and (c) remeasuring the carrying amount to reflect any revaluation or modification of the lease. The financial cost of a lease liability is allocated during the lease period in such a way as to give a fixed periodic rate of interest on the outstanding balance of the liability. After the effective date of the lease period, the Group recognizes profit or loss (unless costs are included in the carrying amount of another asset for which other relevant Standards are applied) and the following two elements: (a) the financial cost of the lease obligation; and (b) variable lease payments that are not included in the measurement of the lease liability during the period in which the event that triggers those payments is made.

**Sale and Leaseback**

According to IFRS 16, the treatment of a sale and leaseback transaction depends on whether the transaction constitutes a sale of the asset in accordance with IFRS 15 "Revenues from contracts with customers".

If the transaction constitutes a sale of the asset in accordance with IFRS 15, then:

- The company as a lessee recognizes a profit or loss from the transaction in proportion to the rights transferred to the buyer,
- The company as a lessor applies the lessor's accounting based on the provisions of IFRS 16

If the fair value of the sale price of the asset is not equal to the fair value of the asset, then the company should make the following adjustments:

- Any price lower than the market is considered as an advance on future lease payments
- Any price higher than the market is considered as additional financing from the buyer - lessee to the seller - lessor.

## C.16. Borrowing Cost (I.A.S. 23)

Borrowing cost refers to interest charged on debt, as well as other expenses incurred by the company in securing that debt.

Included in borrowing costs are:
- Interest expenses on short-term and long-term bank loans, as well as overdraft interest charges
- Amortisation of par discount arising from bond loan issues
- Amortisation of additional expenses incurred in securing a loan
- Financial expenses from leases, as defined in I.F.R.S. 16
- Foreign exchange adjustments, to the extent that they constitute a financial expense

Borrowing costs that can be allocated directly in acquisition, construction or production of an asset which fulfils the requirements should be capitalized.

### C.17. Operating Segments (I.F.R.S. 8)

The Group recognizes the sectors of constructions, concessions, energy and other activities as its primary business operating segments. It also recognizes Greece and international markets as its secondary operating geographic segments. Those operating segments are used by Management for internal purposes and strategic decisions are taken on the basis of the adjusted operating results of each segment, which are used to measure their performance.

### C.18. Related Party Disclosures (I.A.S. 24)

Related party disclosures are governed by I.A.S. 24 and refer to transactions between a company reporting its financial statements and other related parties. The main issue is the economic substance of transactions, as opposed to their legal form.

A company is considered a related party to a reporting company if:

a) It is directly or indirectly via intermediaries in control, or controlled by or under joint control of the reporting company
b) It controls an equity stake in the reporting company which grants substantial control, or joint control of the reporting company
c) It is an associate, as defined in IAS 28
d) It is a joint venture, as defined in IFRS 11
e) It is a key member of the top management team (Board of Directors) of the reporting company or its parent firm
f) It is closely related family-wise to any person matching the first and fourth case noted above
g) It is a company controlled (or under joint control or under substantial influence) by a person matching the fourth and fifth case noted above
h) It is has an employee defined benefit plan in place, where those eligible for receiving the benefits are either the reporting company or the employees of the reporting company

Related party transaction is any transfer of resources, services or liabilities between related parties, irrespective of the payment of a price in return.

### C.19. Revenue from contracts with customers (I.F.R.S. 15)

The standard establishes a five-step model for determining revenue from customer contracts:

1. Identify the contract with the client.

2. Determination of enforcement obligations.

3. Determination of the transaction price.

4. Allocation of the transaction price to the contractual obligations.

5. Recognition of revenue when or when an entity fulfills its obligation to execute.

In accordance with IFRS 15, revenue is recognized at the amount that an entity expects to be entitled to in return for the transfer of goods or services to a customer. The standard also specifies the accounting for the additional costs of obtaining a contract and the direct costs required to complete the contract.

Revenue is the amount that an entity expects to be entitled to in return for the goods or services it has transferred to a customer, excluding amounts collected on behalf of third parties (value added tax, other sales taxes). Variable amounts are included in the price and are calculated either by the "expected value" method or the "most probable amount" method.

An entity recognizes revenue when (or as it) satisfies a contractual obligation by transferring the goods or services promised to the customer. The customer acquires control of the good or service if he is able to direct the use and derive substantially all the financial benefits from that good or service. The control is transferred over a period or at a specific time.

Revenue from the sale of goods is recognized when control of the good is transferred to the customer, usually upon delivery, and there is no unfulfilled obligation that could affect the customer's acceptance of the good.

Revenue from the provision of services is recognized in the accounting period in which the services are provided and measured according to the nature of the services provided, using either out put methods or in put methods.

A customer's receivable is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations to the customer. A contractual asset is recognized when the Group and the Company have satisfied its obligations to the customer before the customer pays or the payment becomes due, for example when the goods or services are transferred to the customer prior to the Group's right to invoicing.

A contractual liability is recognized when the Company and the Group receive a payment from the customer (prepayment) or when they retain a right that is unconditional (deferred income) before the performance of the contract obligations and the transfer of the goods or services. The contractual liability is derecognised when the obligations of the contract are executed and the income is recorded in the income statement.

The Group is active in the fields of Construction, Concessions, and Real Estate Investments. In the context of assessing the impact of applying IFRS. 15, the Group divided its revenues into revenues from construction and maintenance contracts, revenues from the sale of goods, and other income.

## Revenue from construction contracts and maintenance contracts

Contracts with customers of this category concern the construction or maintenance of public projects and private projects in Greece and abroad.

Each construction contract contains a single performance obligation for the contractor. Even in the cases of contracts that contain both the design and construction of a project, in substance the contractor’s obligation is to deliver one project, the goods and services of which form individual components.

Contract revenue will continue to be accounted for over the time of the contract by using an estimation method similar to the percentage of completion method. The completion stage is measured on the basis of the contractual costs incurred up to the balance sheet date in relation to the total estimated cost of construction of each project.

IFRS 15 states that any variable consideration, i.e. claims for delay/acceleration costs, reward bonus, additional work, should only be recognized as revenue if it is highly probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in the future. In making this assessment, Management has to consider past experience adjusted to the circumstances of the existing contracts. Additional claims and variation orders are included in contract revenue when it is probable that they will be approved by the customer and the amount of revenue can be reliably measured.

Costs of Projects: Project costs include the following:

- Costs directly linked to this project,

- Costs attributable to the specific project and attributable to the project,

- Other costs charged to that particular customer in accordance with the terms of the contract.

In the second case, general construction costs are also included. These costs are allocated on an ongoing basis using reasonable methods and bases that are consistently applied to all expenses with similar characteristics.

Indirect project costs include costs such as the preparation and processing of the payroll of construction sites, bank costs directly related to the projects.

Costs that are not attributed or allocated to a project include sales expenses, research and development costs, general administrative expenses and depreciation of machinery inactivity, which are not occupied in the specific project.

There are also contracts with clients for the maintenance of construction projects. Recognition of the revenue from these contracts is made during the contract using the percentage cost-based approach.

### C.20. Financial Instruments (I.F.R.S. 9)

Under I.F.R.S. 9, financial instruments are measured and classified at either fair value (fair value through profit or loss or fair value through other comprehensive income) or amortized cost.

The classification is based on two criteria:

a) the business model for managing the assets and

b) whether the instruments' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding (the 'SPPI criterion').

The classification of equity instruments is based on the business model for managing the investments concerned.

The Group and the Company measure financial assets initially at their fair value by adding transaction costs, and if a financial asset is not measured at its fair value, it will be measured through profit or loss. Trade receivables are initially measured at the transaction price.

### Impairment

The Group and the Company recognize impairment provisions for expected credit losses for all financial assets. Expected credit losses are based on the difference between the contractual cash flows and all cash flows that the Group and the Company expects to receive. The difference is discounted using an estimate of the original effective interest rate of the financial asset. For contractual assets, trade receivables and leases, the Group and the Company have applied the simplified approach to the standard and have calculated the expected credit losses on the basis of the expected credit losses over the life of those assets.

### Risk Hedging

The IFRS 9 enables entities to continue to apply the requirements of IAS 39 for hedge accounting. The Group and the Company have chosen to continue to apply IAS 39 for the existing hedging relationship at the date of first application. Therefore, they will continue to apply their present hedge accounting policy, although they will consider initiating the hedge accounting in accordance with IFRS 9 requirements when a new hedging relationship arises.

## Classification & measurement

### A. Financial assets at amortized cost

Financial assets will be measured at amortized cost if they are held within a business model for the purpose of holding and collecting the contractual cash flows that meet the SPPI criterion. Interest income of these items is included in financial income and is recognized using the effective interest rate. Any gain or loss resulting from the write-off is recognized immediately in the income statement.

Financial assets classified in this category mainly include the following assets:

### Trade and other receivables

Trade receivables are initially recognized at their fair value and are subsequently measured at amortized cost using the effective interest method, unless the result of the discount is not material, less any impairment loss. Trade and other receivables also include foreign exchange and receivables.

### B. Financial assets at fair value through other comprehensive income

### Debt Securities

This category includes investments in Subordinated Debt, in concessions in the Group and the Company, which will be measured at fair value through the statement of other comprehensive income if they are held as part of a business model whose objective both the collection of cash flows and the sale of financial assets, and these contractual cash flows relate exclusively to capital and interest payments. Changes in fair value are recognized in the statement of comprehensive income and upon their recognition the accumulated profits or losses will be recycled to the income statement.

According to I.A.S. 32 «Financial Instruments: Presentation», when a financial instrument includes a contractual commitment to deliver cash or other financial asset to another entity, then the financial instrument is classified as a debt security.

Furthermore, according to I.A.S. 32, there is the possibility of reclassifying a financial instrument from a participatory to debt security due to changes in the substantive terms of the contract without changing the contractual terms.

### Participatory Securities

This category includes equity investments mainly in concession companies that the Group and the Company intends to hold in the foreseeable future and have decided to classify them in their initial recognition or transfer to the IFRS 9. Dividends from such investments continue to be recognized in the income statement unless they represent a recovery of part of the cost of the investment. Changes in fair value are recognized in the statement of comprehensive income and, upon their recognition, accrued gains or losses will not be recycled to the income statement.

### C. Financial assets at fair value through profit and loss

In all other cases, the financial assets will be measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are initially recognized at fair value and transaction costs are recognized in profit or loss in the period in which they arise. Realized and unrealized gains or losses arising from changes in the fair value of financial assets measured at fair value through profit or loss are recognized in profit or loss in the period in which they arise.

The Group and the Company do not have any assets in this category, however maintains the right, in the event of a change in the business model, to reclassify financial assets from the category of amortized cost to the category of fair value through profit and loss. In this case, any profit or loss resulting from the difference between the previous amortized cost of the financial asset and the fair value is recognized in profit and loss (according to I.F.R.S. 9)

Furthermore, the Group and the Company maintains the right, in the event of a change in the business model, to reclassify financial assets from the category of fair value through other comprehensive income to the category of fair value through profit and loss. In this case, the cumulative gain or loss previously recognized in the other comprehensive income is reclassified from equity to profit and loss as adjusted from reclassification (according to IAS 1 and IFRS 9) on the date of reclassification.

## C.21 Restricted Cash Deposits

Restricted cash are cash equivalents not readily available for use. These cash equivalents may not be used by the Group until a certain point in time or an event is reached or occurs in the future. In the cases where restricted cash is expected to be used within one year from the date of the statement of financial position, these are classified as a short-term asset. However, if they are not expected to be used within one year from the date of the statement of financial position, they are classified as a long-term asset.

## C.22 Non-current assets held for sale & discontinued operations (I.F.R.S. 5)

The Group classifies a non-current asset or a disposal group (assets and liabilities that will be transferred to a single transaction) as held for sale, if their value is expected to be recovered primarily through sale and not through their use.

The basic conditions for classifying a non-current asset or a disposal group as held for sale, are the asset or group to be available for immediate sale in their present condition, and the completion of the sale depends only from conditions that are common and typical for the sale of such items and the sale should be very likely.

In order for a sale to be considered very likely, it must be:

1. management has committed itself to the sale,
2. has started an active program to find a buyer and complete the program,
3. the non-current asset must be marketed for sale at a reasonable price in relation to the present fair value,
4. its sale must be considered complete within 12 months from the date of its classification as held for sale.

Assets held for sale and disposal groups are measured at the lowest value between the book value and the fair value deducted the sale expenses. Also profit or loss from the sale of these items are recognized in the statement of income.

Immediately before the initial classification of the asset or the disposal group as held for sale, the asset (or all assets and liabilities included in the group) are valued on the basis of the applicable IFRS.

Non-current assets (or disposal groups), that classified as held for sale are valued (after the initial classification as above) at the lowest value between the value that appears to the financial statements and their fair value, reduced the direct selling expenses, and the resulting impairment losses are recorded in the statement of income. Any possible increase in the fair value in a subsequent valuation is recorded in the statement of income but not for an amount greater than the initial impairment loss.

From the date on which a non-current asset (or non-current assets which included in a disposal group) is classified as held for sale, depreciation on such items is not considered.

*[See note 26b Disposal Group Held for Sale]*

## C.23 Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. On an ongoing basis, management evaluates its estimates, the most important of which are presented below. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These management's estimation and assumptions form the bases for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### *C.23.1 Impairment of goodwill and other non-financial assets*

Management tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in paragraph C.4.i. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates which mainly relate to future earnings and discount rates.

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the accounting policy stated in paragraph C.6.

### *C.23.2 Income taxes*

Group entities are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### *C.23.3 Deferred tax assets*

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### *C.23.4 Asset lives and residual values*

Property, plant and equipment (PPE) are depreciated over their estimated useful lives. The actual lives of the assets are assessed annually and may vary depending on a number of factors.

### *C.23.5 Allowance for net realizable value of inventory*

The allowance for net realizable value of inventory, in accordance with the accounting policy as stated in paragraph C.5, represents management's best estimate, based on historic sales trends and its assessment on quality and volume, of the extent to which the stock on hand at the reporting date will be sold below cost.

### *C.23.6 Allowance for doubtful accounts receivable*

The Group's management periodically reassess the adequately of the allowance for doubtful accounts receivable using parameters such as its credit policy, reports from its legal counsel on recent developments of the cases they are handling, and its judgment/estimate about the impact of other factors affecting the recoverability of the receivables.

### *C.23.7 Provision for staff leaving indemnities*

The cost for the staff leaving indemnities is determined based on actuarial valuations. The actuarial valuation requires management making assumptions about future salary increases, discount rates, mortality rates, etc. Management, at each reporting date when the provision is re-examined, tries to give its best estimate regarding the above mentioned parameters.

### *C.23.8 Contingent liabilities*

The existence of contingent liabilities requires from management making assumptions and estimates continuously related to the possibility that future events may or may not occur as well as the effects that those events may have on the activities of the Group.

### *C.23.9 Revenue from Contracts with Customers (I.F.R.S. 15)*

Whenever the financial result of a contract may be estimated with reliability, the income and expenses of the contract are recognized during the life of the contract respectively as income and expenses. Income is only recognized to the extent that the cost arising from the contract may be recovered, while that cost is recognized as an expense in the period in which it arose.

### *C.23.10 Joint Arrangements (I.F.R.S. 11)*

The factors examined by the Group to assess whether a company is a joint arrangement, include the structure, the legal form, the contractual agreement and other facts and conditions.

### *C.23.11 Fair Value measurement (I.F.R.S. 13)*

A number of assets and liabilities included in the Group's financial statements require measurement at, and / or disclosure of, fair value. The Group measures a number of items at fair value:

* Tangible Fixed Assets & Property for Investment

* Financial Assets available for Sale

* Long-Term and Short-Term Loans

* Derivative Financial Instruments

### *C.23.12 Derivative financial instruments and hedging activities*

Group Companies consider, as applicable, entering into derivative financial instrument contracts with the aim of hedging their exposure to interest rate risk deriving from long-term loan agreements. The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. This procedure includes linking all derivatives defined as hedging instruments to specific asset and liability items or to specific commitments or forecast transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. Any changes in the value of the derivative that does not meet the recognition criteria as a hedging instrument are recognized in the income statement. The estimated fair value is calculated on the basis of current prices. The total fair value of hedging derivatives is classified as equity.

Cash flow hedge

Derivative assets are initially recognized at fair value as of the date of the relevant agreement. The portion of change to the derivative's fair value considered effective and meeting the cash flow hedging criteria is recognized in other comprehensive income. Profit or loss associated with the non-effective portion of change is directly recognized in the Income Statement, under "Finance income" or "Finance cost". Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects the profit or loss of the period. Profit or loss associated with the effective portion of the hedging of floating interest rate swaps is recognized in the Income Statement under "Finance income" or "Finance cost". However, when a prospective transaction to be hedged results in the recognition of a non-financial asset (such as inventory or PPE), then profit or losses previously recognized in equity are transferred from Equity and are accounted for at the initial cost of such asset. The deferred amounts are ultimately recognized in cost of goods sold in the case of inventory or in depreciation in the case of fixed assets. When a hedging instrument expires or it is sold, or when a hedging relation no longer meets the criteria of hedge accounting, the cumulative profit or loss recorded to that time under Equity remain in Equity and are recognized when the prospective transaction is ultimately recognized in the Income Statement. When a prospective transaction is no longer expected to occur, the cumulative profit or loss recognized in Equity is directly transferred to the Income Statement under “Other operating profit/(loss)”.

## D. NEW STANDARDS, INTERPRETATIONS AND AMENDMENT OF CURRENT STANDARDS

**Basis of preparation**

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out in note C. The policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements are presented in €, which is also the Company’s & the Group’s functional currency.

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs) and endorsed by EU.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note C.23.

### Changes in accounting policies

**a. New and amended standards adopted by the Company and the Group**

| Title | Effective for periods beginning on or after |
|---|---|
| IFRS 17 Insurance Contracts | 1 January 2023 |
| Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements) | 1 January 2023 |
| Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors) | 1 January 2023 |
| Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes) | 1 January 2023 |
| International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 Income Taxes) (effective immediately upon the issue of the amendments and retrospectively) | 1 January 2023 |

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2023. See the applicable notes for further details on how the amendments affected the Group.

### IFRS 17 Insurance Contracts

IFRS 17 was issued by the IASB in 2017 and replaces IFRS 4 for annual reporting period beginning on or after 1 January 2023. IFRS 17 introduces an internationally consistent approach to the accounting for insurance contracts. Prior to IFRS 17, significant diversity has existed worldwide relating to the accounting for and disclosure of insurance contracts, with IFRS 4 permitting many previous accounting approaches to be followed. Since IFRS 17 applies to all insurance contracts issued by an entity (with limited scope exclusions), its adoption may have an effect on non-insurers such as A Layout Group.

The Group carried out an assessment of its contracts and operations and concluded that the adoption of IFRS 17 has had no effect on the annual consolidated financial statements of the Group.

**Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements)**

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments have no effect on the measurement or presentation of any items in the Consolidated financial statements of the Group but affect the disclosure of accounting policies of the Group.

**Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors)**

The amendments to IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors.

These amendments had no effect on the consolidated financial statements of the Group.

**Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes)**

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

These amendments had no effect on the annual consolidated financial statements of the Group.

**International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 Income Taxes)**

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released a draft legislative framework for a global minimum tax that is expected to be used by individual jurisdictions. The goal of the framework is to reduce the shifting of profit from one jurisdiction to another in order to reduce global tax obligations in corporate structures. In March 2022, the OECD released detailed technical guidance on Pillar Two of the rules. Stakeholders raised concerns with the IASB about the potential implications on income tax accounting, especially accounting for deferred taxes, arising from the Pillar Two model rules. The IASB issued the final Amendments (the Amendments) International Tax Reform – Pillar Two Model Rules, in response to stakeholder concerns on 23 May 2023.

The Amendments introduce a mandatory exception to entities from the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two model rules. The exception is effective immediately and retrospectively. The Amendments also provide for additional disclosure requirements with respect to an entity's exposure to Pillar Two income taxes.

Management has determined that the Group is not within the scope of OECD’s Pillar Two Model Rules and the exception to the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two income taxes is not applicable to the Group.

**b. New standards, amendments to standards and interpretations issued not yet effective, nor early adopted**

| Title | Effective for periods beginning on or after |
|---|---|
| Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases) | 1 January 2024 |
| Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements) | 1 January 2024 |
| Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements) | 1 January 2024 |
| Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures) | 1 January 2024 |
| Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates) | 1 January 2025 |

The Group is currently assessing the impact of these new accounting standards and amendments. The Group does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Group.

## E.NOTES TO THE FINANCIAL STATEMENTS

### 1. Turnover

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Turnover (construction) | 406,797,779 | 358,056,155 | 384,902,050 | 343,179,305 |
| Sale of products | 9,856,345 | 6,700,526 | 405,344 | 52,420 |
| Sale of services | 36,892,580 | 37,952,504 | 19,867,105 | 18,163,911 |
| **TOTAL from continuing operations** | **453,546,704** | **402,709,185** | **405,174,499** | **361,395,637** |
| **TOTAL from discontinued operations** | **183,041,594** | **394,239,878** | **-** | **-** |
| **TOTAL from continuing & discontinued operations** | **636,588,298** | **796,949,063** | **405,174,499** | **361,395,637** |

In accordance with the provisions of Article 154 of Law 4938/2022, the possibility of additional payment (premium) is introduced to contractors who execute project contracts, who did not make use of the case of § 1 of Article 153 (as referred to in Article 154) of Law. 4938/06.2022, which provides the right to extend the project schedule without it being counted in the contractual time, i.e. without the extension being an elogation of the contractual duration of the project.

In the provision of article 154 of Law 4938/2022, it is provided with regard to the right to receive from a contractor of a public works contract, the additional payment (premium) provided for therein, five percent (5%) of the remaining contractual consideration, the cumulative condition, among other things the presentation of an equivalent letter of guarantee (performance) based on article 72 of Law 4412/2016 (A΄ 147).

In addition to the provision of the above article, it is defined as a condition for the payment of the additional payment (premium), the adherence of the approved project execution schedules in relation to the contractual deadline (8 years), as the project schedule has been formed under the provision of article 154 of Law 4938/2022, i.e. on 06.06.2022.

The payment was made by the Project Owner (Client), based on a certification which states "certification of the additional premium, based on article 154 of Law 4938/2022". Based on Article 154, the additional payment (premium) does not add to the relevant contract and is not mentioned in the periodic certifications of project execution. For the Company, these provisions mainly concern the "Metro Line 4" project, and the amount amounts to € 41.6 million.

According to article 152, the reference period begins on 01/01/2022 and since the extension concerns up to six (6) months, this period for the specific project concerns a period of time from 01/01/2022 to 06/30/2022 . During this period, the Company did not stop work and did not request an extension of the schedule for six (6) months.

Until the date of this publication, there has been no request for an extension of the overall project completion deadline, while to date, seventeen (17) out of the total of twenty-six (26) workspaces have been delivered to the Concession Joint Venture.

In the Directory No. 294537/25.09.2022 of the Ministry of Infrastructure (ADA: ΨΚΗΤ465ΧΘΞ-ΥΡΛ, in correct repetition), with the subject: 'Clarifications regarding the implementation of articles 152 to 154 of Law 4938/2022 (A' 109),' it is provided that 'The extension of the schedule according to article 147 of Law 4412/2016 (A' 147) after the publication of Law 4938/2022, i.e., after 6/6/2022, abolishes the right to receive the additional payment (premium) of article 154, except for force majeure reasons.

In this context, it is estimated that the right to the premium is not forfeited under conditions where the deadline for completing the schedule by 6/6/2022 cannot be met, specifically in cases that qualify as "force majeure," as they entail the same consequences as events of force majeure.

The premium was recognised as earned income of the year that was calculated and collected (2022), because the administration estimated that the scenario of the premium return is highly unlikely .

By early April, TBM Athena completed the first kilometer (20%) out of the 5.1 kilometers of the route between Katechaki and Evangelismos, with the construction of a tunnel meeting high specifications. Additionally, the second TBM, Niki, has also commenced, following the opposite direction from Veikou station to Galatsi, and after constructing a 7-kilometer tunnel, it will meet Athena. The total tunnel of 12.1 kilometers is expected to be completed by 2026.

## 2. Cost of sales

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Raw Materials | (117,460,659) | (82,181,264) | (106,421,355) | (76,297,207) |
| Wages and Salaries | (73,914,562) | (70,791,096) | (66,062,434) | (57,780,886) |
| Third Party Fees | (136,539,389) | (165,867,275) | (122,849,801) | (163,636,900) |
| Charges for Third Party Services | (35,712,312) | (37,085,000) | (35,180,438) | (33,292,695) |
| Other Expenses | (40,137,772) | (19,465,344) | (36,858,879) | (12,312,826) |
| Depreciation | (13,005,599) | (6,447,688) | (9,111,556) | (2,655,089) |
| **TOTAL from continuing operations** | **(416,770,292)** | **(381,837,666)** | **(376,484,464)** | **(345,975,603)** |
| **TOTAL from discontinued operations** | **(175,997,627)** | **(381,750,136)** | **-** | **-** |
| **TOTAL from continuing & discontinued operations** | **(592,767,919)** | **(763,587,802)** | **(376,484,464)** | **(345,975,603)** |

## 3.Other net operating income/(expense)-profit/(losses)

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Extraordinary Income/ (expense) | 274,874 | 3,110,331 | (1,107,920) | 3,497,670 |
| Extraordinary Profit/ (Loss) | (1,849,983) | 8,461,266 | (2,960,471) | 35,830,806 |
| **TOTAL from continuing operations** | **(1,575,109)** | **11,571,596** | **(4,068,391)** | **39,328,476** |
| **TOTAL from discontinued operations** | **(225,634)** | **35,840,425** | **-** | **-** |
| **TOTAL from continuing & discontinued operations** | **(1,800,743)** | **47,412,021** | **(4,068,391)** | **39,328,476** |

## 3a. Bad debts and other provisions

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Bad debts and other provisions | (5,065,425) | (6,537,221) | (5,065,425) | (6,537,221) |
| **TOTAL from continuing operations** | **(5,065,425)** | **(6,537,221)** | **(5,065,425)** | **(6,537,221)** |
| **TOTAL from discontinued operations** | **(1,854,314)** | **(971,955)** | **-** | **-** |
| **TOTAL from continuing & discontinued operations** | **(6,919,738)** | **(7,509,176)** | **(5,065,425)** | **(6,537,221)** |

### 4. Administrative expenses

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Wages and Salaries | (8,685,025) | (10,463,131) | (4,492,522) | (6,544,346) |
| Third Party Fees | (5,310,625) | (3,317,466) | (3,215,140) | (2,396,282) |
| Charges for Third Party Services | (2,601,372) | (4,374,805) | (2,066,288) | (4,028,730) |
| Other Expenses | (3,685,128) | (3,869,064) | (3,130,183) | (2,961,509) |
| Depreciation | (5,083,289) | (5,949,962) | (4,728,997) | (5,468,833) |
| **TOTAL from continuing operations** | **(25,365,440)** | **(27,974,426)** | **(17,633,129)** | **(21,399,701)** |
| **TOTAL from discontinued operations** | **(2,630,457)** | **(2,837,552)** | - | - |
| **TOTAL from continuing & discontinued operations** | **(27,995,897)** | **(30,811,979)** | **(17,633,129)** | **(21,399,701)** |

### 5. Selling & Marketing expenses

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Wages and Salaries | (2,776,188) | (3,768,944) | (2,514,784) | (3,545,960) |
| Third Party Fees | (1,159,712) | (6,122,509) | (590,912) | (6,036,447) |
| Charges for Third Party Services | (1,645,626) | (1,908,482) | (1,641,053) | (1,906,991) |
| Other Expenses | (817,116) | (1,180,146) | (310,343) | (952,436) |
| Depreciation | (96,172) | (6,142) | (82,592) | (4,636) |
| **TOTAL from continuing operations** | **(6,494,815)** | **(12,986,223)** | **(5,139,685)** | **(12,446,468)** |
| **TOTAL from discontinued operations** | **(2,399,578)** | **(2,685,081)** | - | - |
| **TOTAL from continuing & discontinued operations** | **(8,894,393)** | **(15,671,304)** | **(5,139,685)** | **(12,446,468)** |

### 6a. Income from sub-debt

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| **Income from sub-debt from continuing operations** | **6,556,647** | **6,587,685** | **9,374,912** | **2,902,732** |
| **Income from sub-debt from discontinued operations** | - | **(309,482)** | - | - |
| **Income from sub-debt from continuing & discontinued operations** | **6,556,647** | **6,278,203** | **9,374,912** | **2,902,732** |

The income from sub-debt relates to income from the participation of the Company and the Group in the financial assets of Subordinated Debt issued by the concession companies.

**6b. Income/(Losses) from Subsidiaries/Associates**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Dividends from subsidiaries/ Joint Ventures | - | - | 8,458,800 | 20,976,545 |
| Dividends from associates | - | 5,942,036 | 19,577,087 | 36,359,760 |
| Profit/(loss) from associates | 32,445,281 | 41,496,903 | 70,130 | - |
| **Total from continuing operations** | **32,445,281** | **47,438,939** | **28,106,016** | **57,336,305** |
| **Total from discontinued operations** | **-** | **(15,000,000)** | **-** | **-** |
| **Total from continuing & discontinued operations** | **32,445,281** | **32,438,939** | **28,106,016** | **57,336,305** |

**7. Finance cost**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Interest income | 424,444 | 253,255 | 380,133 | 84,816 |
| Interest expense | (16,286,933) | (18,047,160) | (15,882,886) | (17,370,589) |
| Interest expense (leasing) (note 27) | (4,964,116) | (2,950,248) | (3,277,371) | (1,362,697) |
| **Total from continuing operations** | **(20,826,605)** | **(20,744,154)** | **(18,780,124)** | **(18,648,471)** |
| **Total from discontinued operations** | **444,037** | **1,264,566** | **-** | **-** |
| **Total from continuing & discontinued operations** | **(20,382,568)** | **(19,479,588)** | **(18,780,124)** | **(18,648,471)** |

**8.Tax charge**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| Income tax | (2,307,980) | (3,577,299) | (1,450,126) | (3,167,917) |
| Deferred Tax | (4,376,801) | (2,000,941) | (5,285,789) | (1,919,775) |
| Taxes imputed in previous years, other taxes | 24,220 | (48,623) | 22,712 | (48,623) |
| | **(6,660,562)** | **(5,626,864)** | **(6,713,203)** | **(5,136,316)** |

**Tax charge calculation**

| Description | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2023 | 1.1-31.12.2022 | 1.1-31.12.2023 | 1.1-31.12.2022 |
| **Profit/(losses) before tax** | **16,686,757** | **18,543,176** | **15,503,910** | **55,975,086** |
| Tax on accounting earnings | 3,671,087 | 4,079,499 | 3,410,860 | 12,314,519 |
| Plus: Non deductible expenses | 9,406,758 | 4,518,180 | 6,786,993 | 4,279,817 |
| Plus: taxes imputed in previous years | 118,145 | 48,623 | 266,529 | 48,623 |
| Minus:compensation of loss of previous years | 5,660,950 | 14,031,023 | 6,704,857 | 13,042,235 |
| Minus: non-taxed earnings | (13,116,722) | (17,035,914) | (11,241,601) | (24,299,982) |
| Financial impact of different tax rates applicable in other countries that the group contacts operations | 920,345 | (14,547) | 785,565 | (248,898) |
| **Effective tax charge** | **6,660,562** | **5,626,864** | **6,713,203** | **5,136,316** |

**9a. Segment Reporting**
**Primary reporting format - business segments**

The Group is active in 4 main business segments:
- Construction
- Concessions
- Energy
- Other activities (Real estate development and other activities)

The figures per business segments for the year ended 31 December 2023 are as follows:

| | Construction | Concessions | Energy | Other activities | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|---|---|
| Total gross sales per segment | 433,829,685 | 4,016,691 | 75,279 | 25,676,407 | 463,598,063 | 184,576,997 |
| Inter-company sales | (6,026,518) | - | - | (4,024,841) | (10,051,359) | (1,535,403) |
| **Net Sales** | **427,803,167** | **4,016,691** | **75,279** | **21,651,567** | **453,546,704** | **183,041,594** |
| **Gross Profit/ (Loss)** | **31,579,215** | **563,152** | **(10,855)** | **4,644,901** | **36,776,412** | **7,043,967** |
| Other net operating income/(expenses) | (4,831,771) | 1,821,699 | 54,016 | 1,616,756 | (1,339,299) | (305,015) |
| Write-off of doubtful receivables & other provisions | (5,065,425) | - | - | - | (5,065,425) | (1,774,933) |
| Administrative expenses / Selling & Marketing expenses | (16,820,379) | (11,213,586) | (461,233) | (3,365,057) | (31,860,255) | (5,030,035) |
| Income from sub-debt | - | 6,556,647 | - | - | 6,556,647 | - |
| Income/(Losses) from Investments in Associates | 1,010,755 | 31,419,164 | - | 15,362 | 32,445,281 | - |
| **Profit/ (Loss) from operations** | **5,872,396** | **29,147,077** | **(418,072)** | **2,911,961** | **37,513,362** | **(66,015)** |
| Interest | | | | | (20,826,605) | 444,037 |
| **Profit/ (Loss) before tax** | | | | | **16,686,758** | **378,022** |
| Tax | | | | | (6,660,562) | 3,975 |
| **Profit/ (Loss) after tax** | | | | | **10,026,195** | **381,997** |
| **Depreciation** | **15,738,825** | **1,474,178** | **19,182** | **952,874** | **18,185,059** | **129,280** |
| **EBITDA** | **26,676,646** | **30,621,255** | **(398,890)** | **3,864,836** | **60,763,846** | **1,838,197** |

The figures per business segments for the year ended 31 December 2022 are as follows:

| | Construction | Concessions | Energy | Other activities | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|---|---|
| Total gross sales per segment | 395,736,294 | 4,789,930 | - | 25,477,643 | 426,003,867 | 396,455,741 |
| Inter-company sales | (20,297,876) | (1,200) | - | (2,995,606) | (23,294,682) | (2,215,863) |
| **Net Sales** | **375,438,418** | **4,788,730** | **-** | **22,482,037** | **402,709,185** | **394,239,878** |
| **Gross Profit/ (Loss)** | **15,526,119** | **1,667,659** | **-** | **3,677,740** | **20,871,519** | **12,489,743** |
| Other net operating income/(expenses) | 2,122,784 | 9,508,982 | - | 255,290 | 11,887,056 | 35,840,425 |
| Write-off of doubtful receivables & other pr | (6,537,221) | - | - | - | (6,537,221) | (971,955) |
| Administrative expenses / Selling & Market | (22,901,861) | (15,267,907) | - | (2,790,881) | (40,960,649) | (5,522,633) |
| Income from sub-debt | 2,281,698 | 4,305,987 | - | - | 6,587,685 | (309,482) |
| Income/(Losses) from Investments in Assoc | 10,490,025 | 37,124,551 | - | (175,637) | 47,438,939 | (15,000,000) |
| **Profit/ (Loss) from operations** | **981,546** | **37,339,272** | **-** | **966,512** | **39,287,329** | **26,526,098** |
| Interest | | | | | (20,744,154) | 1,264,566 |
| **Profit/ (Loss) before tax** | | | | | **18,543,176** | **27,790,664** |
| Tax | | | | | (5,626,864) | (824,456) |
| **Profit/ (Loss) after tax** | | | | | **12,916,312** | **26,966,208** |
| **Depreciation** | **10,057,189** | **1,377,644** | **-** | **968,958** | **12,403,791** | **156,795** |
| **EBITDA** | **17,575,955** | **38,716,916** | **-** | **1,935,469** | **58,228,341** | **27,654,848** |

**9a. Segment Reporting (continued form previous section)**

The assets and liabilities of the business segment at 31 December 2023 are as follows:

| | Construction | Concessions | Energy | Other activities | Intercompany | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|---|---|---|
| Assets (excluding investments in associates) | 1,048,431,363 | 35,005,756 | 2,655,226 | 35,144,278 | (295,386,452) | 825,850,171 | 63,640,378 |
| Investments in other companies | 286,231,973 | 242,309,455 | - | 6,174,279 | (223,251,878) | 311,463,829 | 1,800,000 |
| Investments in tangible fixed assets, intangible,investment property and right of use assets | 114,405,110 | 30,912,355 | 1,106,244 | 13,337,057 | (342,887) | 159,417,879 | 299,759 |
| Total assets | 1,334,663,337 | 277,315,211 | 2,655,226 | 41,318,558 | (518,638,330) | 1,137,314,001 | 65,440,378 |
| Liabilities | (869,229,530) | (371,846,770) | (1,663,027) | (27,396,581) | 269,158,980 | (1,000,976,927) | (42,055,149) |
| Liabilities from Bank Loans | (159,834,810) | (99,170,471) | - | (824,813) | 400,000 | (259,430,093) | (2,364,986) |
| Liabilities from Leasing | (61,599,966) | (27,746,293) | (283,196) | (2,651,703) | 429,107 | (91,852,051) | (186,199) |
| Restricted Cash Deposits | 452,489 | - | - | - | - | 452,489 | 4,440,354 |
| Cash and cash equivalents | 73,245,753 | 335,154 | 1,217,342 | 1,693,954 | - | 76,492,204 | 8,653,177 |
| Net Financial Liabilities | (147,736,534) | (126,581,609) | 934,147 | (1,782,562) | 829,107 | (274,337,452) | 10,542,346 |

The assets and liabilities of the business segment at 31 December 2022 are as follows:

| | Construction | Concessions | Energy | Other activities | Intercompany | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|---|---|---|
| Assets (excluding investments in associates) | 935,597,413 | 31,512,606 | - | 38,203,171 | (309,378,850) | 695,934,340 | 85,061,215 |
| Investments in other companies | 268,697,715 | 245,709,936 | - | 6,338,943 | (225,273,480) | 295,473,114 | - |
| Investments in tangible fixed assets, intangible,investment property and right of use assets | 92,787,226 | 28,915,206 | - | 17,800,588 | (249,058) | 139,253,961 | 684,732 |
| Total assets | 1,204,295,128 | 277,222,542 | - | 44,542,114 | (534,652,332) | 991,407,453 | 85,061,215 |
| Liabilities | (721,843,041) | (387,608,548) | - | (31,534,931) | 281,840,239 | (859,146,280) | (62,412,120) |
| Liabilities from Bank Loans | (185,017,939) | (121,557,871) | - | (873,043) | 400,000 | (307,048,853) | (3,608,310) |
| Liabilities from Leasing | (46,666,717) | (26,342,838) | - | (3,021,130) | 248,657 | (75,782,027) | (129,377) |
| Restricted Cash Deposits | - | 1,863,839 | - | - | - | 1,863,839 | 4,440,354 |
| Cash and cash equivalents | 82,301,398 | 178,542 | - | 2,282,111 | - | 84,762,051 | 11,214,022 |
| Net Financial Liabilities | (149,383,258) | (145,858,327) | - | (1,612,062) | 648,657 | (296,204,990) | 11,916,688 |

**9b. Secondary reporting format - Geographical segments**

The group is active in 2 main Geographical segments

- Greece
- International Markets

The figures per segment for the year ended 31 December 2023 are as follows:

| | Greece | International Markets | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|
| Total gross sales per segment | 406,908,005 | 56,690,057 | 463,598,062 | 184,576,997 |
| Inter-company sales | (5,816,667) | (4,234,692) | (10,051,359) | (1,535,403) |
| **Net Sales** | **401,091,338** | **52,455,365** | **453,546,704** | **183,041,594** |
| **Gross Profit/ (Loss)** | **64,734,436** | **(27,958,024)** | **36,776,412** | **7,043,967** |
| Other net operating income/(expenses) | 1,051,479 | (2,390,778) | (1,339,299) | (305,015) |
| Write-off of doubtful receivables & other provisions | (2,267,994) | (2,797,431) | (5,065,425) | (1,774,933) |
| expenses | (27,901,811) | (3,958,443) | (31,860,255) | (5,030,035) |
| Income from sub-debt | 6,556,647 | - | 6,556,647 | - |
| Income/(Losses) from Investments in Associates | 27,197,855 | 5,247,426 | 32,445,281 | - |
| **Profit/ (Loss) from operations** | **69,370,612** | **(31,857,250)** | **37,513,362** | **(66,015)** |
| Finance cost | (19,759,834) | (1,066,771) | (20,826,605) | 444,037 |
| **Profit/ (Loss) before tax** | **49,610,779** | **(32,924,021)** | **16,686,757** | **378,022** |
| Tax | (6,995,156) | 334,594 | (6,660,562) | 3,975 |
| **Profit/ (Loss) after tax from continuing operations** | **42,615,623** | **(32,589,427)** | **10,026,195** | **381,997** |
| **Profit/(Loss) after tax from discontinued operations** | **381,997** | **-** | **381,997** | |
| **Profit/ (Loss) after tax from continuing and discontinued operations** | **42,997,620** | **(32,589,427)** | **10,408,192** | **381,997** |
| **Depreciation** | 16,275,963 | 1,909,096 | 18,185,059 | 129,280 |
| **EBITDA** | **87,914,570** | **(27,150,723)** | **60,763,846** | **1,838,197** |

The figures per segment for the year ended 31 December 2022 are as follows:

| | Greece | International Markets | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|
| Total gross sales per segment | 272,059,592 | 153,944,275 | 426,003,867 | 396,455,741 |
| Inter-company sales | (4,497,233) | (18,797,449) | (23,294,682) | (2,215,863) |
| **Net Sales** | **267,562,359** | **135,146,826** | **402,709,185** | **394,239,878** |
| **Gross Profit/ (Loss)** | **64,574,154** | **(43,702,635)** | **20,871,519** | **12,489,743** |
| Other net operating income/(expenses) | 6,319,054 | 5,568,002 | 11,887,056 | 35,840,425 |
| Write-off of doubtful receivables & other provisions | (1,148,574) | (5,388,647) | (6,537,221) | (971,955) |
| Administrative expenses / Selling & Marketing expenses | (26,158,771) | (14,801,878) | (40,960,649) | (5,522,633) |
| Income from sub-debt | 6,587,685 | - | 6,587,685 | (309,482) |
| Income/(Losses) from Investments in Associates | 41,797,809 | 5,641,130 | 47,438,939 | (15,000,000) |
| **Profit/ (Loss) from operations** | **91,971,357** | **(52,684,028)** | **39,287,329** | **26,526,098** |
| Finance cost | (20,104,513) | (639,640) | (20,744,154) | 1,264,566 |
| **Profit/ (Loss) before tax** | **71,866,844** | **(53,323,668)** | **18,543,176** | **27,790,664** |
| Tax | (2,598,085) | (3,028,779) | (5,626,864) | (824,456) |
| **Profit/ (Loss) after tax from continuing operations** | **69,268,759** | **(56,352,447)** | **12,916,312** | **26,966,208** |
| **Profit/(Loss) after tax from discontinued operations** | **26,966,208** | **-** | **26,966,208** | |
| **Profit/ (Loss) after tax from continuing and discontinued operations** | **96,234,967** | **(56,352,447)** | **39,882,520** | **26,966,208** |
| **Depreciation** | 10,017,270 | 2,386,521 | 12,403,791 | 156,795 |
| **EBITDA** | **103,137,201** | **(44,908,861)** | **58,228,341** | **27,654,848** |

**9b. Secondary reporting format - Geographical segments (continued from previous section)**

The assets and liabilities of the geographical segment at 31 December 2023 are as follows:

| | Greece | Other European countries | Gulf and Middle East countries | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|---|
| Turnover excluding intra-company transactions | 401,091,338 | 49,788,326 | 2,667,041 | 453,546,704 | 183,041,594 |
| Non-current assets (other than deferred tax and financial assets) | 332,520,748 | 7,863,034 | - | 340,383,781 | 2,754,591 |
| Capital expenses | 22,190,251 | 2,665,749 | 892 | 24,856,891 | 50,903 |

The assets and liabilities of the geographical segment at 31 December 2022 are as follows:

| | Greece | Other European countries | Gulf and Middle East countries | Total of operations (continuing activities) | Discontinued activities |
|---|---|---|---|---|---|
| Turnover excluding intra-company transactions | 267,562,359 | 128,404,887 | 6,741,939 | 402,709,185 | 394,239,878 |
| Non-current assets (other than deferred tax and financial assets) | 294,682,694 | 10,915,558 | 3,763,594 | 309,361,845 | 1,156,629 |
| Capital expenses | 2,227,639 | 349,055 | 36,259 | 2,612,953 | 766,763 |

### 9c. Sensitivity Analysis - Foreign Exchange rate Risk

| | 31.12.2023 (amounts in foreign currency) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | USD | JOD* | QAR* | AED* | IQD* | GBP | RON | HRK** | BGN (LEV)** |
| Financial assets | 11,544,374 | 1,713,960 | 2,000 | (2,532,868) | 928,180 | 160 | 3,048,213 | - | 33,802 |
| Financial liabilities | 49,640,687 | 1,483,961 | - | 1,518,869 | - | 601,597 | 3,460,605 | - | 1,792,212 |
| **Currency exposure** | **(38,096,313)** | **229,999** | **2,000** | **(4,051,737)** | **928,180** | **(601,437)** | **(412,392)** | **-** | **(1,758,410)** |

| | *USD* |
|---|---|
| **Currency exposure USD, JOD, QAR, AED & IQD (in dollars)** | **-38,873,907.08** |

| | 31.12.2022 (amounts in foreign currency) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | USD | JOD* | QAR* | AED* | IQD* | GBP | RON | HRK** | BGN (LEV)** |
| Financial assets | 31,241,494 | 1,673,629 | 2,000 | (2,330,372) | 578,584 | 160 | 128,980 | 13,434,359 | 86,388 |
| Financial liabilities | 15,192,795 | 799,477 | 118,877,502 | 1,561,646 | - | 430,264 | 21,328 | 38,109,167 | 2,039,065 |
| **Currency exposure** | **16,048,699** | **874,152** | **(118,875,502)** | **(3,892,018)** | **578,584** | **(430,104)** | **107,653** | **(24,674,808)** | **(1,952,677)** |

| | *USD* |
|---|---|
| **Currency exposure USD, JOD, QAR, AED & IQD (in dollars)** | **-16,431,277.17** |

The sensitivity analysis to exchange rate flactuations is as follows:

| | **31.12.2023** | | **31.12.2022** | |
|---|---|---|---|---|
| *amounts in €* | USD | | USD | |
| | 5.00% | -5.00% | 5.00% | -5.00% |
| Shareholders equity/ Income statement | -1,759,000 | 1,759,000 | -770,192 | 770,192 |
| | GBP | | GBP | |
| | 5.00% | -5.00% | 5.00% | -5.00% |
| Shareholders equity/ Income statement | -34,603 | 34,603 | -24,247 | 24,247 |
| | RON | | RON | |
| | 5.00% | -5.00% | 5.00% | -5.00% |
| Shareholders equity/ Income statement | -4,144 | 4,144 | 1,088 | -1,088 |

*These currencies are pegged to USD
**These currencies are pegged to EUR

**10.Property, Plant and Equipment**

**GROUP**

| **Cost** | **Land** | **Buildings** | **Machinery & Equipment** | **Vehicles** | **Furnitures & Fittings** | **Assets under Construction** | **Total Tangible Assets** |
|---|---|---|---|---|---|---|---|
| **Balance 31.12.2022 (continuing and discontinued activities)** | **13,435,700** | **30,945,898** | **92,581,151** | **22,124,601** | **10,740,146** | **1,021,488** | **170,848,985** |
| Acquisitions during the 1.1-31.12.2023 period | 793 | 997,570 | 5,455,376 | 1,889,780 | 1,368,028 | 2,717,476 | 12,429,023 |
| Assets Revaluations | 179,550 | 493,275 | (22,980) | 1,999 | - | - | 651,844 |
| Transfers | - | (16,066) | 16,066 | - | 3,385 | (3,385) | - |
| Subsidiaries disposal | - | - | - | - | - | - | - |
| Net foreing currency exchange differences | - | 246 | (72,700) | 13,689 | (21,397) | - | (80,162) |
| Disposals during the 1.1-31.12.2023 period | - | (3,769,836) | (18,145,417) | (2,228,736) | (2,958,209) | - | (27,102,198) |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **13,616,043** | **28,651,087** | **79,811,496** | **21,801,333** | **9,131,953** | **3,735,580** | **156,747,492** |
| **Accumulated Depreciation** | | | | | | | |
| **Balance 31.12.2022 (continuing and discontinued activities)** | **-** | **24,102,864** | **78,832,903** | **16,972,711** | **9,082,498** | **6,116** | **128,997,092** |
| Depreciation during the 1.1-31.12.2023 period | - | 664,305 | 2,854,011 | 789,741 | 1,154,883 | - | 5,462,939 |
| Assets Revaluations | - | (159,724) | (17,044) | 1,999 | - | - | (174,768) |
| Subsidiaries disposal | - | - | - | - | - | - | - |
| Transfers | - | - | - | - | 2,441 | (2,441) | - |
| Net foreing currency exchange differences | - | (10) | (1,291) | 12,357 | 19,956 | - | 31,012 |
| Disposals during the 1.1-31.12.2023 period | - | (1,586,402) | (14,045,058) | (1,804,870) | (2,340,331) | - | (19,776,660) |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **-** | **23,021,033** | **67,623,521** | **15,971,938** | **7,919,446** | **3,675** | **114,539,614** |
| **Net Book Value** | | | | | | | |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **13,616,043** | **5,630,053** | **12,187,975** | **5,829,395** | **1,212,507** | **3,731,905** | **42,207,878** |
| Balance 31.12.2022 (continuing and discontinued activities) | 13,435,700 | 6,843,034 | 13,748,248 | 5,151,890 | 1,657,649 | 1,015,373 | 41,851,893 |
| **Balance 31.12.2023 (discontinued activities)** | **-** | **-** | **-** | **-** | **26,178** | **-** | **26,178** |
| Balance 31.12.2022 (discontinued activities) | 93,756 | 16,066 | - | - | 37,727 | - | 147,550 |
| **Balance 31.12.2023 (continuing activities)** | **13,616,043** | **5,630,053** | **12,187,975** | **5,829,395** | **1,186,329** | **3,731,905** | **42,181,700** |
| Balance 31.12.2022 (continuing activities) | 13,341,944 | 6,826,968 | 13,748,248 | 5,151,890 | 1,619,921 | 1,015,373 | 41,704,343 |

The Group and the Company apply the revaluation model of tangible assets (land and buildings).

The Group, as of 31/12/23 as part of a review of the value of tangible assets, has assigned to independent certified valuators the valuation of the main properties.

**COMPANY**

| **Cost** | **Land** | **Buildings** | **Machinery & Equipment** | **Vehicles** | **Furnitures & Fittings** | **Assets under Construction** | **Total Tangible Assets** |
|---|---|---|---|---|---|---|---|
| **Balance 31.12.2022** | **11,269,515** | **17,606,691** | **72,077,228** | **16,741,361** | **10,004,049** | **130,892** | **127,829,737** |
| Assets Revaluation | 157,200 | 274,156 | - | - | - | - | 431,356 |
| Acquisitions during the 1.1-31.12.2023 period | - | 997,420 | 5,136,287 | 1,886,675 | 1,256,824 | 1,378,298 | 10,655,504 |
| Disposals during the 1.1-31.12.2023 period | - | (3,700,119) | (14,631,567) | (2,189,581) | (2,883,044) | - | (23,404,311) |
| Net foreing currency exchange differences | - | 246 | (72,700) | 13,838 | (21,397) | - | (80,013) |
| **Balance 31.12.2023** | **11,426,715** | **15,178,394** | **62,509,247** | **16,452,293** | **8,356,432** | **1,509,191** | **115,432,273** |
| **Accumulated Depreciation** | | | | | | | |
| **Balance 31.12.2022** | **-** | **13,196,791** | **64,026,149** | **14,655,042** | **8,506,743** | **-** | **100,384,726** |
| Depreciation during the 1.1-31.12.2023 period | - | 331,004 | 1,597,593 | 379,653 | 1,061,661 | - | 3,369,911 |
| Transfers | - | - | - | - | - | - | - |
| Disposals during the 1.1-31.12.2023 period | - | (1,540,731) | (11,773,971) | (1,746,441) | (2,288,115) | - | (17,349,257) |
| Net foreing currency exchange differences | - | (10) | (1,291) | 12,505 | 19,956 | - | 31,160 |
| **Balance 31.12.2023** | **-** | **11,987,054** | **53,848,480** | **13,300,759** | **7,300,246** | **-** | **86,436,540** |
| **Net Book Value** | | | | | | | |
| **Balance 31.12.2023** | **11,426,715** | **3,191,340** | **8,660,767** | **3,151,534** | **1,056,186** | **1,509,191** | **28,995,733** |
| Balance 31.12.2022 | 11,269,515 | 4,409,900 | 8,051,079 | 2,086,319 | 1,497,306 | 130,892 | 27,445,012 |

The Group and the Company apply the revaluation model of tangible assets (land and buildings).

The Company, as of 31/12/23 as part of a review of the value of tangible assets, has assigned to independent certified valuators the valuation of the main properties.

## 10a. Right of Use assets

**GROUP**

| **Cost** | **Land** | **Buildings** | **Machinery & Equipment** | **Vehicles** | **Furnitures & Fittings** | **Total Tangible Assets** |
|---|---|---|---|---|---|---|
| **Balance 31.12.2022 (continuing and discontinued activities)** | **36,892,157** | **34,613,435** | **28,308,598** | **6,511,071** | **300,342** | **106,625,603** |
| Acquisitions during the 1.1-31.12.2023 period | 2,686,877 | 1,079,328 | 25,878,636 | 3,824,832 | - | 33,469,672 |
| Subsidiaries Disposals | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - |
| Revaluations | - | 3,101,922 | - | - | - | 3,101,922 |
| Net foreing currency exchange differences | - | - | - | - | - | - |
| Disposals | (130,839) | (212,473) | (35,288) | (849,209) | - | (1,227,809) |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **39,448,195** | **38,582,212** | **54,151,946** | **9,486,694** | **300,342** | **141,969,389** |
| **Accumulated Depreciation** | | | | | | |
| **Balance 31.12.2022 (continuing and discontinued activities)** | **8,757,021** | **6,349,306** | **3,109,636** | **2,554,371** | **179,526** | **20,949,860** |
| Depreciation during the 1.1-31.12.2023 period | 1,703,812 | 3,137,614 | 5,976,398 | 1,664,001 | 25,910 | 12,507,735 |
| Subsidiaries Disposals | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - |
| Revaluations | - | - | - | - | - | - |
| Disposals | (130,839) | (137,864) | (11,503) | (758,093) | - | (1,038,299) |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **10,329,994** | **9,349,056** | **9,074,531** | **3,460,279** | **205,436** | **32,419,295** |
| **Net Book Value** | | | | | | |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **29,118,201** | **29,233,157** | **45,077,415** | **6,026,415** | **94,906** | **109,550,093** |
| Balance 31.12.2022 (continuing and discontinued activities) | 28,135,136 | 28,264,129 | 25,198,962 | 3,956,700 | 120,816 | 85,675,743 |
| **Balance 1.1-31.12.2023 (discontinued activities)** | **-** | **-** | **-** | **191,621** | **-** | **191,621** |
| Balance 1.1-31.12.2022 (discontinued activities) | - | - | - | 119,165 | - | 119,165 |
| **Balance 1.1-31.12.2023 (continuing activities)** | **29,118,201** | **29,233,157** | **45,077,415** | **5,834,794** | **94,906** | **109,358,473** |
| Balance 1.1-31.12.2022 (continuing activities) | 28,135,136 | 28,264,129 | 25,198,962 | 3,837,535 | 120,816 | 85,556,579 |

**COMPANY**

| **Cost** | **Land** | **Buildings** | **Machinery & Equipment** | **Vehicles** | **Furnitures & Fittings** | **Total Tangible Assets** |
|---|---|---|---|---|---|---|
| **Balance 31.12.2022** | **547,498** | **26,299,510** | **28,273,310** | **5,421,046** | **284,101** | **60,825,464** |
| Additions | 532,517 | 869,212 | 25,878,636 | 3,442,296 | - | 30,722,662 |
| Revaluations | - | 2,475,172 | - | - | - | 2,475,172 |
| Disposals | (130,839) | (137,864) | - | (744,981) | - | (1,013,684) |
| **Balance 31.12.2023** | **949,176** | **29,506,030** | **54,151,946** | **8,118,361** | **284,101** | **93,009,614** |
| **Accumulated Depreciation** | | | | | | |
| **Balance 31.12.2022** | **424,046** | **4,820,453** | **3,098,133** | **1,873,093** | **164,518** | **10,380,243** |
| Disposals | (130,839) | (137,864) | - | (744,981) | - | (1,013,684) |
| Depreciation during the 1.1-31.12.2023 period | 245,807 | 2,576,690 | 5,976,398 | 1,453,974 | 24,676 | 10,277,545 |
| **Balance 31.12.2023** | **539,015** | **7,259,278** | **9,074,531** | **2,582,086** | **189,194** | **19,644,104** |
| **Net Book Value** | | | | | | |
| **Balance 31.12.2023** | **410,162** | **22,246,752** | **45,077,415** | **5,536,275** | **94,906** | **73,365,510** |
| Balance 31.12.2022 | 123,452 | 21,479,057 | 25,175,177 | 3,547,953 | 119,583 | 50,445,221 |

**11. Investment Property**

| | **GROUP** | | | **COMPANY** | | |
|---|---|---|---|---|---|---|
| **Cost** | Land | Buildings | Total | Land | Buildings | Total |
| **Balance 31.12.2022** | **11,222,346** | **315,351** | **11,537,697** | **1,991,285** | **254,450** | **2,245,736** |
| Disposals 1.1-31.12.2023 | (4,830,000) | - | (4,830,000) | - | - | - |
| Assets Revaluations | 235,210 | 600 | 235,810 | 19,700 | - | 19,700 |
| **Balance 31.12.2023** | **6,627,556** | **315,951** | **6,943,507** | **2,010,985** | **254,450** | **2,265,436** |
| Balance 31.12.2022 | 11,222,346 | 315,351 | 11,537,697 | 1,991,285 | 254,450 | 2,245,736 |

The Group, with a reference date of 31/12/23 in the context of a review of the value of investment property, assigned to independent Certified Valuators the valuation of property.

The value of investment property for the Group under the historical cost method of valuation would amount € 5,969 thousand for fiscal year 2023 and €8,919 thousand for fiscal year 2022 respectively. The value of investment property for the company under the historical cost method of valuation would amount € 2,326 thousand for fiscal year 2023 and €2,398 thousand for fiscal year 2022 respectively.

**11a. Net profit or loss from fair value ajdustments for investment properties**

1)With a reference date of 31/12/2023 in the context of the annual regular review of the value of investment properties, the Management assigned to independent Certified Valuators the valuation of the main properties. The new valuations compared to the previous ones show fluctuations in the value of real estate. Following this, the Group has accounted the related adjustments. Therefore, the fair values for 31/12/2023 were formulated for the purpose or applying IAS 40 as follows:

| A/A | PROPERTIES | Revaluation based on fair value at 31/12/2023 (€) | Revaluation based on fair value at 31/12/2022 (€) | Change (€) during the period 1/1-31/12/2023 | Additions/ (disposals) of the period | Recognition to Income Statement |
|---|---|---|---|---|---|---|
| 1. | Real Estate property of Concurrent (Romania) | 1,012,460 | 990,400 | 22,060 | - | 22,060 |
| 2. | Real Estate property of Bupra (Romania) | 2,895,630 | 2,727,700 | 167,930 | - | 167,930 |
| 3. | Real Estate property of Faethon (Romania) | 548,170 | 524,000 | 24,170 | - | 24,170 |
| 4. | Real Estates of ETETH | 221,810 | 219,860 | 1,950 | - | 1,950 |
| 5. | AVAX Development | - | 4,830,000 | (4,830,000) | (4,830,000) | - |
| 6. | AVAX S.A. | 2,265,437 | 2,245,737 | 19,700 | - | 19,700 |
| | **TOTAL** | 6,943,507 | 11,537,697 | (4,594,190) | (4,830,000) | 235,810 |

2)With a reference date of 31/12/2022 in the context of the annual regular review of the value of investment properties, the Management assigned to independent Certified Valuators the valuation of the main properties. The new valuations compared to the previous ones show fluctuations in the value of real estate. Following this, the Group has accounted the related adjustments. Therefore, the fair values for 31/12/2022 were formulated for the purpose or applying IAS 40 as follows:

| A/A | PROPERTIES | Revaluation based on fair value at 31/12/2022 (€) | Revaluation based on fair value at 31/12/2021 (€) | Change (€) during the period 1/1-31/12/2022 | Additions/ (disposals) of the period | Recognition to Income Statement |
|---|---|---|---|---|---|---|
| 1. | Real Estate property of Concurrent (Romania) | 990,400 | 921,100 | 69,300 | - | 69,300 |
| 2. | Real Estate property of Bupra (Romania) | 2,727,700 | 2,610,500 | 117,200 | - | 117,200 |
| 3. | Real Estate property of Faethon (Romania) | 524,000 | 451,200 | 72,800 | - | 72,800 |
| 4. | Real Estates of ETETH | 219,860 | 213,100 | 6,760 | - | 6,760 |
| 5. | AVAX Development | 4,830,000 | 5,300,000 | (470,000) | (500,000) | 30,000 |
| 6. | AVAX S.A. | 2,245,737 | 3,359,337 | (1,113,600) | (1,133,000) | 19,400 |
| | **TOTAL** | 11,537,697 | 12,855,237 | (1,317,540) | (1,633,000) | 315,460 |

**12. Intangible Assets**

**GROUP**

| **Cost** | **Software** | **Other Intangible Assets** | **Energy stations licenses** | **Total** |
|---|---|---|---|---|
| **Balance 31.12.2022 (continuing and discontinued activities)** | **4,891,479** | **26,200** | **288,141** | **5,205,821** |
| Acquisitions during the 1.1-31.12.2023 period | 271,059 | - | 554,189 | 825,248 |
| Impairment of assets | - | - | - | - |
| Subsidiaries Disposals | - | - | - | - |
| Disposals during the 1.1-31.12.2023 period | (31,936) | - | (336,532) | (368,468) |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **5,130,602** | **26,200** | **505,799** | **5,662,601** |
| **Accumulated Depreciation** | | | | |
| **Balance 31.12.2022 (continuing and discontinued activities)** | **4,319,909** | **12,554** | **-** | **4,332,463** |
| Amortisation charge 1.1-31.12.2023 | 341,993 | 1,048 | 624 | 343,665 |
| Subsidiaries Disposals | - | - | - | - |
| Μειώσεις περιόδου 1.1-31.12.2023 | (29,687) | - | - | (29,687) |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **4,632,215** | **13,602** | **624** | **4,646,441** |
| **Net Book Value** | | | | |
| **Balance 31.12.2023 (continuing and discontinued activities)** | **498,387** | **12,598** | **505,175** | **1,016,160** |
| Balance 31.12.2022 (continuing and discontinued activities) | 571,570 | 13,646 | 288,142 | 873,358 |
| **Balance 31.12.2023 (discontinued activities)** | **69,886** | **12,074** | **-** | **81,960** |
| Balance 31.12.2022 (discontinued activities) | 116,754 | 13,122 | 288,142 | 418,017 |
| **Balance 31.12.2023 (continuing activities)** | **428,500** | **524** | **505,175** | **934,199** |
| Balance 31.12.2022 (continuing activities) | 454,817 | 524 | 0 | 455,341 |

**COMPANY**

| **Cost** | **Software** |
|---|---|
| Balance 31.12.2022 | **4,480,687** |
| Acquisitions during the 1.1-31.12.2023 period | 234,462 |
| Net foreign currency exchange differences | 150 |
| Disposals during the 1.1-31.12.2023 period | (30,996) |
| **Balance 31.12.2023** | **4,684,303** |
| **Accumulated Depreciation** | |
| Balance 31.12.2022 | **4,044,985** |
| Amortisation charge 1.1-31.12.2023 | 275,689 |
| Net foreign currency exchange differences | 146 |
| Disposals during the 1.1-31.12.2023 period | (29,687) |
| **Balance 31.12.2023** | **4,291,134** |
| **Net Book Value** | |
| **Balance 31.12.2023** | **393,169** |
| Balance 31.12.2022 | 435,702 |

### 13. Investments in Subsidiaries/associates and other companies

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Investments in Subsidiaries | - | - | 85,333,402 | 86,819,817 |
| Investments in Associates | 172,980,736 | 162,247,233 | - | - |
| Other participating companies (Participating interests) | 1,402,690 | 1,049,494 | 3,032,212 | 881,734 |
| | **174,383,426** | **163,296,727** | **88,365,614** | **87,701,551** |

**Investments in Associates**

| | GROUP | |
|---|---|---|
| | 31.12.2023 | 31.12.2022 |
| Cost of investments in Associates | 162,247,233 | 219,617,635 |
| Share of Post-Acquisition Profit | 31,254,000 | 31,004,816 |
| Net of Dividend received | (26,256,115) | (43,239,328) |
| Return of capital invested | (5,250,000) | - |
| Disposal of Associates | - | (50,412,665) |
| Cash flow hedging reserve | (2,676,430) | 1,620,345 |
| Additions/ (Decrease) | 13,662,048 | 3,656,431 |
| **Balance** | **172,980,736** | **162,247,233** |

In the following table, a brief Financial Infromation is indicated for the total of the associate companies

*amounts in thousands euro*

| | COMPANY | ASSETS | LIABILITIES | TURNOVER | PROFIT/(LOSS) AFTER TAX |
|---|---|---|---|---|---|
| 1 | ATTIKI ODOS SA | 302,815 | 130,640 | 215,006 | 83,443 |
| 2 | AEGEAN MOTORWAY SA | 552,932 | 524,221 | 91,206 | 1,107 |
| 3 | KEDRINOS LOFOS S.A. (FLYOVER) | 77,889 | 81,604 | 16,914 | (3,077) |
| 4 | KEDRINOS LOFOS OPERATIONS S.A. (FLYOVER) | 24 | 3 | - | (4) |
| 5 | ATTIKES DIADROMES SA | 37,283 | 16,594 | 48,086 | (4,906) |
| 6 | ATHENS CAR PARKS SA | 18,753 | 9,374 | 5,549 | 1,331 |
| 7 | ENERGY CENTRE R.E.S. CYCLADES S.A. | 142 | 141 | - | (74) |
| 8 | ATTICA DIODIA S.A. | 6,219 | 7 | - | (7) |
| 9 | AG.NIKOLAOS CAR PARKS S.A. | 3,429 | 578 | 1,073 | 271 |
| 10 | METROPOLITAN ATHENS PARK S.A. | 8,003 | 4,225 | - | (10) |
| 11 | SALONICA PARK S.A. | 2,936 | 8,201 | 285 | (498) |
| 12 | VIOENERGIA SA EXPLOITATION OF ENERGY RESOURCES | 219 | 173 | 369 | (22) |
| 13 | 5N S.A. | 339 | 171 | 8 | (157) |
| 14 | STARWARE ENTERPRISES LTD | 15,500 | 6,170 | - | (641) |
| 15 | LIMASSOL MARINA LIMITED | 163,540 | 65,650 | 30,040 | 8,040 |
| 16 | POLISPARK S.A. | 803 | 603 | 1,982 | (114) |
| 17 | ILIA WASTE MANAGEMENT (PPP) | 22,352 | 20,853 | 4,901 | (380) |
| 18 | ILIA WASTE MANAGEMENT OPERATION | 2,567 | 2,647 | 3,570 | (80) |
| | | **1,215,745** | **871,855** | **418,988** | **84,222** |

## 14. Joint Arrangements (Joint Ventures)

The following amounts represent the share of assets, liabilities, sales and earnings of the Group's companies in joint ventures and are included in the statement of financial position and statement of comprehensive income:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| **Assets** | | | | |
| Non-current assets | 2,989,569 | 1,250,223 | 2,987,622 | 1,240,253 |
| Current assets | 209,445,542 | 185,486,600 | 201,942,926 | 180,581,293 |
| | **212,435,111** | **186,736,823** | **204,930,548** | **181,821,546** |
| **Liabilities** | | | | |
| Long-term liabilities | 3,203,832 | 2,803,694 | 3,193,850 | 2,798,503 |
| Short-term liabilities | 247,865,999 | 213,175,385 | 240,593,024 | 208,340,871 |
| | **251,069,832** | **215,979,079** | **243,786,874** | **211,139,374** |
| **Net Worth** | **(38,634,721)** | **(29,242,256)** | **(38,856,326)** | **(29,317,828)** |
| Turnover | 35,337,521 | 66,958,651 | 30,552,719 | 62,651,268 |
| Cost of sales | (43,607,817) | (60,563,683) | (38,968,548) | (56,328,363) |
| **Profit/ (loss) after tax** | **(8,270,296)** | **6,394,969** | **(8,415,829)** | **6,322,904** |

## 15. Financial assets at fair value through other comprehensive income

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| Investments in GROUP/AVAX S.A | 137,080,403 | 132,176,387 | 160,871,255 | 141,045,251 |
| | **137,080,403** | **132,176,387** | **160,871,255** | **141,045,251** |

In order to provide more detailed information, it is mentioned that in the Company the valuation of concessions is stated at fair value, according to Independent Appraisers valuations. The last estimate was performed on 31.12.2023.

In the consolidated balance sheet of the Group, concessions are reported by the equity method, except for the participations below 20% (Moreas Highway and Olympia Odos, which are reported at fair value).

As a result an amount of €128.6 mil. is not depicted in the consolidated balance sheet and refers to the difference between fair value and net position of the concessions (except those mentioned above) which are consolidated with the equity method.

**15a. Financial Assets at Fair Value through other Comprehensive Income**
**Table 1: Analysis of the Account "Financial Assets at Fair Value through other Comprehensive Income"**

According to IFRS 9 the following financial instruments are recognized as Financial Assets at Fair Value through other Comprehensive Income (level 3).

| (amounts in €) | GROUP 31.12.2023 | GROUP 31.12.2022 | COMPANY 31.12.2023 | COMPANY 31.12.2022 |
|---|---|---|---|---|
| **Beginning of the period balance** | 132,176,387 | 120,064,112 | 141,045,251 | 399,195,045 |
| **Additions** | | | | |
| 1. Reclassifications (and measurement at fair values) | - | - | - | - |
| 2. Participations/increase of investments | 122,916 | 8,246,549 | 28,411,989 | 421,413 |
| 3. Adjustments to fair values | 9,244,319 | 10,383,663 | 1,069,208 | 364,421 |
| **Reductions** | | | | |
| 1. Sales/write-offs | - | - | - | (227,740,681) |
| 2. Adjustment to fair values (impairments through equity) | (4,463,218) | (6,517,938) | (9,655,193) | (31,194,946) |
| 3. Impairments (through P&L) | - | - | - | - |
| 4. Other changes | - | - | - | - |
| **Ending period balance** | **137,080,403** | **132,176,387** | **160,871,255** | **141,045,251** |

At a company level, the change Participations/increase of investments mainly regards Ilia Waste Management and Kedrinos Lofos (FLYOVER)

At a company level, the change in adjustments to fair values (impairments) regards Attiki Odos and Moreas S.A.

At a group level, the change in Additions - Adjustments to Fair values (impairments through Equity) of the Financial Assets mainly regards Olympia Odos.

At a group level, the change in Reductions - Adjustments to Fair values (impairments through Equity) of the Financial Assets mainly regards Olympia Odos and Moreas S.A.

**Table 2a: Differences between fair values and cost 31.12.2023**

| (amounts in €) | Cost | Fair Value | Revaluation Surplus Credited to Fair Values Revaluation Reserve | Revaluation Surplus Credited/ (Debited) to Profit and Loss | Revaluation Surplus Credited to Minority Interest | Deferred Tax Asset |
|---|---|---|---|---|---|---|
| **Group** | | | | | | |
| Participations <20% | 62,602,843 | 137,080,403 | 91,805,787 | (17,328,227) | - | 2,884,924 |
| **Ending period balance** | **62,602,843** | **137,080,403** | **91,805,787** | **(17,328,227)** | **-** | **2,884,924** |
| **Company** | | | | | | |
| Participations <20% | 34,251,305 | 4,327,748 | (12,595,330) | (17,328,227) | - | 2,770,972 |
| Participations from 20% to 50% | 68,778,514 | 156,543,507 | 87,764,993 | - | - | 1,306,317 |
| Participations >50% | - | - | - | - | - | - |
| **Total** | **103,029,818** | **160,871,255** | **75,169,663** | **(17,328,227)** | **-** | **4,077,289** |

**Table 2b: Differences between fair values and cost 31.12.2022**

| (amounts in €) | Cost | Fair Value | Revaluation Surplus Credited to Fair Values Revaluation Reserve | Revaluation Surplus Credited/ (Debited) to Profit and Loss | Revaluation Surplus Credited to Minority Interest | Deferred Tax Asset |
|---|---|---|---|---|---|---|
| **Group** | | | | | | |
| Participations <20% | 63,979,543 | 132,176,387 | 85,525,071 | (17,328,227) | - | 2,312,526 |
| **Ending period balance** | **63,979,543** | **132,176,387** | **85,525,071** | **(17,328,227)** | **-** | **2,312,526** |
| **Company** | | | | | | |
| Participations <20% | 33,875,315 | 5,424,760 | (11,122,328) | (17,328,227) | - | 2,446,912 |
| Participations from 20% to 50% | 62,880,573 | 135,620,491 | 72,739,918 | - | - | 1,547,992 |
| Participations >50% | - | - | - | - | - | - |
| **Total** | **96,755,887** | **141,045,251** | **61,617,590** | **(17,328,227)** | **-** | **3,994,904** |

The valuation of the concession companies has been conducted from an independent valuator. Valuations were based on data from financial models, approved by the concession companies, and the financing banks. The discount rate in 2023 varies from 7.1% to 8.7%, which has been calculated with the Weighted Average Discount Rate method (WACC), considering the completion stage and the maturity degree of each concession project, and considering the total risk estimated in Greece and abroad.

**15b. Fair Value Sensitivity Analysis - Discount Rate**

The Fair Value change of the participations which are classified as Assets held-for-sale, by changing ±1% the discount factor, at a Group and at a Company level, is shown below:

| | GROUP 31.12.2023 | COMPANY 31.12.2023 |
|---|---|---|
| Change by +1% | (13,547,576) | (11,125,391) |
| Change by -1% | 15,457,823 | 13,040,305 |

**15c. Net Investment in Concession Companies subscribed in the form of Last Priority Financial Assets (Subordinated Debt)**

The Group participates in some Concession Companies, in two ways: i) participation in the form of Share Capital, and ii) participation in the form of Financial Assets of Last Priority (Subordinated Debt), which are issued by the Concession Companies.

The FA's LP are classified and accounted for according to IAS 39, as Available-for-Sale Financial Assets (Net investment to Concession Companies). The FA's LP along with the participation in the Share Capital of the Concession Company, are measured to Fair Value (method of Present Value). The difference between the cost and fair value is recognized directly to Other Comprehensive Income (namely, to Equity).

The main characteristics of the above Last Priority FA's are the following:

a) The participation in the form of FA's LP is issued contractually with specific and fixed analogy to the Share Capital (pro rata),

b) The subscription of FA's LP is maintained steadily throughout the lifetime of the concession proportionally to the participation in the Share Capital,

c) The transfer of the FA's LP contractually is carrying out along with the corresponding transfer of an equal percentage of Share Capital,

d) The FA's LP do not contractually have a fixed terminated date, and the Company cannot demand for their future repayment,

e) The FA's are of Last Priority; they have last priority against all other claims of the Assets of the Concession Company in case of liquidation (subordinated debt - last in line). They are treated as equity equivalent to the Share Capital, bearing the same risk,

f) The capital structure of the Concession Companies Equity, contractually does not distinguish the subscription in the form of Share Capital with the subscription in the form of the FA's LP (equity equivalent).

The following table provides analytically the financial data of the Concessions Companies, where the Company participates both to Share Capital and to Last Priorities FA's.

| (amounts in euros) | Participation Type | Cost 31/12/2023 | Fair Value 31/12/2023 | Revaluation Surplus Credited to Fair Values Revalution Reserve |
|---|---|---|---|---|
| Group | | | | |
| **1) Aegean Motorway** | Share Capital | 51,470,562 | 48,529,019 | - |
| (Participation > 20%) | FA's | 67,177,646 | 60,268,069 | - |
| **Total** | | 118,648,208 | 108,797,087 | - |
| **2) Olympia Odos** | Share Capital | 111,737,044 | 121,394,125 | 9,657,081 |
| (Participation < 20%) | FA's | 1,585,988 | 1,068,023 | (517,965) |
| **Total** | | 113,323,032 | 122,462,148 | 9,139,116 |
| **3) Marina Limassol** | Share Capital | 5,088,625 | 31,030,317 | - |
| (Participation > 20%) | FA's | 7,456,319 | - | - |
| **Total** | | 12,544,944 | 31,030,317 | - |
| **4) Moreas** | Share Capital | 17,328,227 | - | - |
| (Participation < 20%) | FA's | 16,597,128 | 4,001,798 | (12,595,330) |
| **Total** | | 33,925,355 | 4,001,798 | (12,595,330) |
| **5) Ilia Waste Management (PPP)** | Share Capital | 1,395,256 | 3,652,213 | - |
| (Participation > 20%) | FA's | 2,318,264 | 3,013,514 | - |
| **Total** | | 3,713,520 | 6,665,727 | - |
| **6) Kedrinos Lofos S.A. (Flyover)** | Share Capital | 1,750,000 | 22,902,572 | - |
| (Participation > 20%) | FA's | 3,931,301 | 4,754,567 | - |
| **Total** | | 5,681,301 | 27,657,139 | - |
| **Total of Participations** | Share Capital | 188,769,714 | 227,508,244 | 9,657,081 |
| | FA's | 99,066,646 | 73,105,971 | (13,113,295) |
| **Ending period balance** | | **287,836,360** | **300,614,215** | **(3,456,214)** |
| Company | | | | |
| **1) Marina Limassol** | Share Capital | 5,088,625 | 31,030,317 | 25,941,692 |
| (Participation > 20%) | FA's | 7,456,319 | - | (7,456,319) |
| **Total** | | 12,544,944 | 31,030,317 | 18,485,373 |
| **2) Moreas** | Share Capital | 17,328,227 | - | - |
| (Participation < 20%) | FA's | 16,597,128 | 4,001,798 | (12,595,330) |
| **Total** | | 33,925,355 | 4,001,798 | (12,595,330) |
| **3) Ilia Waste Management (PPP)** | Share Capital | 1,395,256 | 3,652,213 | 2,256,957 |
| (Participation > 20%) | FA's | 2,318,264 | 3,013,514 | 695,250 |
| **Total** | | 3,713,520 | 6,665,727 | 2,952,207 |
| **4) Kedrinos Lofos S.A. (Flyover)** | Share Capital | 1,750,000 | 22,902,572 | - |
| (Participation > 20%) | FA's | 3,931,301 | 4,754,567 | - |
| **Total** | | 5,681,301 | 27,657,139 | - |
| **Total of Participations** | Share Capital | 25,562,108 | 57,585,101 | 28,198,649 |
| | FA's | 30,303,012 | 11,769,879 | (19,356,399) |
| **Ending period balance** | | **55,865,120** | **69,354,980** | **8,842,249** |

## 16. Other non-current assets and other long-term receivables

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Other non-current assets | 6,416,399 | 6,652,235 | 236,455,683 | 237,479,501 |
| Other Long term receivables | 166,077 | 158,922 | 628,400 | 303,714 |

## 17. Deferred tax assets

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Deferred tax assets | 24,506,467 | 22,765,426 | 31,762,567 | 31,093,494 |
| | **24,506,467** | **22,765,426** | **31,762,567** | **31,093,494** |

**Analysis of Deferred tax assets**

| **Description** | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Receivables - Deferred Income | 5,929,848 | 4,795,907 | 5,015,240 | 4,781,300 |
| Differences in Intangible/ tangible assets | 2,092 | 4,833 | 376 | 4,833 |
| Derecognition of receivables and investments in participations | 13,449,593 | 13,113,740 | 22,224,542 | 21,910,730 |
| Provision for employee termination compensation | 438,222 | 407,660 | 445,120 | 401,728 |
| Adjustment to Fair Value of investments in participation | 4,686,712 | 4,443,285 | 4,077,289 | 3,994,904 |
| | **24,506,467** | **22,765,426** | **31,762,567** | **31,093,494** |

**Changes in "Deferred Income Tax Assets" account**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Balance 01/01 | 22,765,426 | 21,718,282 | 31,093,494 | 30,725,514 |
| Direct credit (debit) in Capital Reserves | 221,435 | 176,664 | 82,386 | (2,080) |
| **Credit / (debit) on the income statement** | | | | |
| Deductible temporary differences | 1,519,606 | 870,481 | 586,687 | 370,060 |
| **Balance** | **24,506,467** | **22,765,426** | **31,762,567** | **31,093,494** |

**18.Deferred tax liabilities**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Deferred tax liabilities | 24,360,283 | 18,046,950 | 21,950,276 | 15,533,262 |
| | **24,360,283** | **18,046,950** | **21,950,276** | **15,533,262** |

**Analysis of Deferred tax Liabilities**

| **Description** | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Tax exempt Reserves | 256,547 | 256,548 | 256,547 | 256,548 |
| Receivables - Deferred Income | 5,455,714 | 5,209,059 | 4,587,174 | 4,435,690 |
| Deferred income tax liability | 15,957,080 | 10,044,432 | 15,385,797 | 9,142,979 |
| Adjustment to fair value due to revaluation of fixed assets | 2,690,942 | 2,536,913 | 1,720,758 | 1,698,046 |
| | **24,360,283** | **18,046,950** | **21,950,276** | **15,533,262** |

**Change in "Deferred Tax Liabilities" account**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Balance 01/01 | 18,046,950 | 14,433,368 | 15,533,262 | 12,669,014 |
| Direct debit (credit) in Capital Reserves | 416,866 | 822,201 | 544,538 | 649,550 |
| **Debit (credit) in Income Statement** | | | | |
| Deductible temporary differences | 5,896,467 | 2,791,381 | 5,872,476 | 2,214,698 |
| **Balance 31/12** | **24,360,283** | **18,046,950** | **21,950,276** | **15,533,262** |

**19. Inventories**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Finished & semi-finished goods | 1,356,420 | 1,862,594 | 152,169 | 145,169 |
| Work in progress | 6,367,146 | 3,439,521 | 3,027,672 | 1,558,339 |
| Raw materials | 24,177,238 | 16,017,650 | 21,908,878 | 13,190,697 |
| | **31,900,803** | **21,319,764** | **25,088,720** | **14,894,205** |

The accounting policy of the company Inventories is that evaluates them at the lower of cost and net realisable value.

**Work in Progress**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Buildings for disposal after construction | **6,367,146** | **3,439,521** | **3,027,672** | **1,558,339** |

**20. Contractual Assets**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Contractual assets | 214,629,790 | 148,637,575 | 213,291,183 | 147,272,976 |
| Contractual obligations | 4,955,159 | 7,030,107 | 4,174,677 | 2,339,677 |
| **Net contractual assets** | **209,674,631** | **141,607,468** | **209,116,506** | **144,933,299** |
| Accumulated expenses | 8,996,768,351 | 8,609,514,800 | 8,625,029,976 | 8,258,307,831 |
| plus: Recognised profit (cumulatively) | 1,069,578,970 | 1,011,070,757 | 994,656,907 | 938,741,218 |
| less: Recognised loss (cumulatively) | 387,815,762 | 351,736,060 | 387,397,762 | 351,588,087 |
| less: Partially Invoiced up to 31/12 | 9,468,856,928 | 9,127,242,029 | 9,023,172,615 | 8,700,527,663 |
| | **209,674,631** | **141,607,468** | **209,116,506** | **144,933,299** |
| **Turnover** | | | | |
| Contracts expenses recognized in the repording period | 374,640,249 | 337,063,983 | 355,123,779 | 322,679,640 |
| plus: Recognized profit for the reporting period | 32,157,530 | 20,992,172 | 29,778,272 | 20,499,665 |
| **Revenues from Construction contracts recognized during the reporting period** | **406,797,779** | **358,056,155** | **384,902,050** | **343,179,305** |
| **Total advances received** | **236,358,927** | **167,050,733** | **233,222,226** | **164,435,497** |

Revenues and expenses relating to each construction contract are recognised in the income statement, depending on the percentage of completion on reporting date. Expenses which have incurred but the relative construction work has not yet been invoiced to clients are recognised in the income statement, along with the proportional profit or loss provided for in the contract. According to GR GAAP, these expenses were recognised as work in progress, and their relative profit or loss was instead recognised in the reporting period in which the works were invoiced rather than carried out. Moreover, for any project with an estimated loss, that loss is recognised immediatelly in the income statement.

The Group uses the stage of completion to determine the appropriate amount of income and expenditure to recognize in a particular period. Specifically, based on the input method of IFRS 15, the construction cost at each reference date is compared to the total budgeted cost in order to determine the percentage of completion. The stage of completion is measured based on the contractual costs incurred up to the reporting date in relation to the total estimated construction costs of each project.

The Group uses an integrated Management Information System which produces the following information to draw consistent and reliable estimates of the percentage of completion of contracts:

1) Total Revised Contract Revenue

2) Contract Cost to complete the contract

According to the Budgetary Control System applied by the Group, revisions and re-evaluations are carried out on a semi-annual basis.

**21. Clients and other receivables**

| Clients | GROUP 31.12.2023 | GROUP 31.12.2022 | COMPANY 31.12.2023 | COMPANY 31.12.2022 |
|---|---|---|---|---|
| Receivables from clients | 195,818,387 | 204,004,643 | 177,008,944 | 185,518,227 |
| Allowance for doubtfull debtors | (56,689,351) | (53,741,965) | (56,296,416) | (53,349,029) |
| | **139,129,036** | **150,262,678** | **120,712,529** | **132,169,198** |
| **Other receivables** | | | | |
| Receivables from associates | 59,326,888 | 55,723,161 | 62,820,179 | 59,980,689 |
| Debtors | 61,419,560 | 57,118,956 | 56,030,804 | 52,149,968 |
| Receivables from subsidiaries (participating interests) | 2,614,199 | 17,007,199 | 11,545,422 | 24,234,331 |
| Advances and credit accounts | 22,658,399 | 16,518,536 | 21,442,777 | 15,291,880 |
| Allowance for doubtfull debtors | (55,864,945) | (54,025,837) | (52,339,142) | (50,800,034) |
| | **90,154,101** | **92,342,015** | **99,500,039** | **100,856,833** |
| Prepaid expenses | 29,870,009 | 20,761,492 | 29,649,413 | 20,651,555 |
| Accrued income | 52,714,918 | 7,154,381 | 48,106,611 | 5,169,890 |
| | **82,584,926** | **27,915,873** | **77,756,025** | **25,821,444** |
| | **172,739,027** | **120,257,888** | **177,256,064** | **126,678,278** |

**21a. Ageing Analysis of clients**

As of 31/12/2023 the ageing analysis for the account Clients is as follows:

| | GROUP 31.12.2023 | GROUP 31.12.2022 | COMPANY 31.12.2023 | COMPANY 31.12.2022 |
|---|---|---|---|---|
| Not in arrears | 80,318,517 | 68,400,152 | 65,862,479 | 55,740,986 |
| In arrears | | | | |
| 3 - 6 months | 8,982,161 | 6,232,398 | 8,756,137 | 5,132,398 |
| 6 - 12 months | 9,560,189 | 21,676,041 | 8,591,619 | 21,676,041 |
| 1 - 2 years | 14,374,240 | 15,514,427 | 14,082,847 | 14,514,427 |
| >2 years | 25,893,930 | 38,439,660 | 23,419,447 | 35,105,346 |
| | **139,129,036** | **150,262,678** | **120,712,529** | **132,169,198** |

As the above claims also include the ones from the Greek State which are confirmed and certified, the Management estimates that they will be collected in their entirety.

The Management of AVAX is certain that the Greek State is reliable concerning the claims of the projects, and for this reason it will continue to participate in the tenders of the Greek State, taking into account of course the possibility of the delayed payments.

The Group's impwindment provisions of other receivables amounting to € 55.9 million are analyzed as follows: € 24.4 million are receivables from associates, € 30.4 million are debtors and € 0.8 million are advance & credit management accounts plus € 0.3 in other participating companies.
The Company's impwindment provisions of other receivables amounting to € 52.3 million are analyzed as follows: € 24.3 million concern claims against relatives, € 27.1 million concern sundry debtors and € 0.9 million concern advance & credit management accounts.

The receivables from clients of the Company and the Group include a revised amount of € 14.8 million which is in arrears for more than five years. This amount refers partially to an invoiced amount under a contract signed with the Government of Lebanon on 12.04.2013, for the construction of the Deir Aamar thermal power plant (Phase II), near Tripoli, Lebanon, which would include the construction of a 590 MW Combined Cycle, capable of operating with natural gas, light and heavy oil, and would consist of 3 wind turbines, 3 boilers and 1 steam turbine.

Until 2015, the Client did not proceed with any payment, nor did they hand over the construction site which was near a war zone (Tripoli) and had been occupied by the Lebanese army. The company proceeded to suspend the construction works of the project, as well as submitted to the State of Lebanon, as provided for in Article 9.2 of the BIT between Greece and Lebanon, the request for an amicable settlement (Official Notice for Amicable Solution) on 24.02.2015 and thereafter, second more detailed "Official Notice for Amicable Solution" on 16.06.2015. The claim amounted to € 51,788,000.

In 2016 the Company after failing to find an amicable settlement, in August 2016, initiated before the International Center for the Settlement of Investment Disputes (ICSID), an International Arbitration procedure having raised a claim for compensation against the Government of Lebanon, amounting to € 370,570,785 based on rights arising from the Convention.
Because the arbitration process was at an initial stage with delays of 1-2 years, the recovery assessment by the Administration was limited only to the invoiced part, i.e. € 51,788,000.

In 2017 the claim of € 51,788,000 is now more than 2 years in arrears. However, because the procedure for which the Arbitration Request has been filed was still in its initial stages, the assessment of recoverability by the Administration, based on the relevant letter of the Legal Adviser, continued to be limited only to the invoiced part, i.e. € 51,788,000.

In 2018, a proposal was made to AVAX SA to replace the EPC Contract between the State of Lebanon and AVAX, by a PPA" (Long Term Power Purchase Agreement), which would finance the construction through Private Investors who would participated in the project and if the Company agreed they would proceed to a decision of ratification by the Lebanese Council of Ministers. Indeed the decision by the Lebanese Council of Ministers was issued in May 2018.Due to the delays of more than three (3) years, the assessment of recoverability by the Administration, based on the relevant letter of the Legal Adviser of the claim was limited to € 43,788,000 after provision of a risk of € 8,000,000.

In 2019, the agreement for the establishment of the PPA" was reached and included the delivery to AVAX of an LG of €30 million as a guarantee for the collection of €30 million with the signing of the documents and the agreement to give another €5 million, twelve (12) months after the collection of € 30 million. The Company proceeded with a request for the suspension of the Arbitration with an end date of the suspension on 31.05.2020. The Company, according to the assessment of recoverability by the Management, based on the relevant letter of the Legal Adviser on 31.12.2019, limited the claim to € 28,788,000.

In 2020, after the start of the war in Lebanon, due to the fact that the PPA could not be signed by the Government of Lebanon, the Company decided to resume the suspended arbitration before ICSID.

In 2020 the Company finally submitted its first full Claimant's Memorandum.

Due to the further delays, the Company based on the relevant letter of the Legal Adviser limited the claim to €24,788,000, according to the Management's estimate, for the recoverability of the claim on 31.12.2020.

In 2021, specifically on 23.06.2021, the State of Lebanon submitted its detailed memorandum and on 06.08.2021 both parties simultaneously submitted requests for the production of documents.

Due to the further delay, the Company limited the claim to €22,788,000 based on the Management's estimate, based on the relevant letter from the Legal Adviser on the recoverability of the claim.

On 14.02.2022 the Company submitted its response to the memorandum of the State of Lebanon.

On 12.07.2022, the last written submission was made on behalf of Lebanon.

Through the arbitration process and after the hearings of the experts, the Company's claim now amounts to €340,924,000. Lebanon did not present witness statements to differentiate the amounts.

On 14.11.2022, the second part of the hearing took place, which concerned the examination of the company's experts (the Lebanese side presented no experts). On 12.04.2023 the Post Hearing Briefs were submitted, followed by the "Submission on Costs" on 28.07.2023. Following the hearing completion-which according to the lawyers was in favour of the Company- the Court decision is anticipated in 2024.

The claim has been impaired over time to € 14.788.000 on 31.12.2023

Regarding the collectability of the claim after any decision of the ICSID, in relation to the 04.04.2022 declaration of bankruptcy of Lebanon, the Company took into account the letter of the Legal Adviser according to which (in summary):

1) The arbitral tribunal (International Center for the Settlement of Investment Disputes - ICSID) operates under the auspices of the World Bank.

2) The arbitration shall be governed by the Convention on the Settlement of Investment Disputes between States and Nationals of another State (Washington Convention 1965) and the decisions of the tribunal shall be final and binding on the parties, who shall be bound by it. If a state does not pay the compensation based on the arbitral award and therefore does not comply with it, it violates an international obligation it has undertaken under an international treaty and therefore bears international responsibility.

3) Arbitral awards under the Washington Convention, being final and binding on the parties, cannot be challenged except by an application for annulment before ICSID itself regardless of the seat of the arbitration.

4) In the event that the Lebanese state does not voluntarily comply with such a decision, the Company is entitled to recognize and enforce it not only in Lebanon and Greece, based on the Washington Convention, to which both countries are members, but also in all its other member states, i.e. in 158 states.

Therefore, the Company remains in the assessment of recoverability (based on the passage of time only), as long as with the announcement of bankruptcy of Lebanon, based on the above, there is no need for further impairment.

**21b. Ageing Analysis of other receivables**

As of 31/12/2023 the ageing analysis for the account Other Receivables is as follows:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| (amounts in euro) | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Not in arrears | 93,550,655 | 51,260,561 | 83,483,941 | 43,452,543 |
| In arrears | | | | |
| 3 - 6 months | 11,312,821 | 18,250,618 | 11,912,805 | 18,460,965 |
| 6 - 12 months | 18,972,927 | 18,906,420 | 19,508,468 | 19,824,420 |
| 1 - 2 years | 27,311,206 | 13,045,949 | 28,491,331 | 13,758,055 |
| >2 years | 21,591,417 | 18,794,341 | 33,859,519 | 31,182,294 |
| | **172,739,027** | **120,257,888** | **177,256,064** | **126,678,278** |

For amounts that were overdue for more than 365 days and have not been impaired, sufficient provisions have been made..

The impairment provisions for trade receivables are analyzed as:

| | GROUP | COMPANY |
|---|---|---|
| **Balance December 31st 2021** | **104,577,020** | **101,121,848** |
| Additional allowances | 3,329,995 | 3,166,428 |
| Used allowances | (139,213) | (139,213) |
| **Balance December 31st 2022** | **107,767,802** | **104,149,063** |
| Additional allowances | 6,214,000 | 5,914,000 |
| Used allowances | (1,427,505) | (1,427,505) |
| **Balance December 31st 2023** | **112,554,297** | **108,635,558** |

**21c. Other Debtors / Ongoing litigation**

a. In the pending court case against construction company "Technical Union", and regarding the arbitration decision #21/2005 which ordered technical union to pay to the Company €16.3 million plus interest, for a deficit in the net position of Technical Union which was absorbed by the Company, there are pending acts of the executive process with auctions or confiscation of assets owned by the family of the former shareholders of Technical Union for collection of the claim. Following the death of the owner of Technical Union, the progress of the execution is frozen until the identity of his heirs emerges. After the impairment of receivables, according to provisions based on IAS 37, a balance of € 1.82 million remains.

(b) Action by ATHENA (now AVAX S.A.) against PPC ("Atherinolakkos" Project) and for which an expert opinion was ordered that determined the amount of € 6,031,637 on 17.9.2020. This lawsuit was accepted in favor of ATHENA for funds amounting to € 4,757,158 plus interest, which started running from December 2009, and which until 14.06.2023 amount to €6 mil.. PPC filed an appeal which, after one postponement, was adjudicated on 18.01.2024.

## 22. Cash and cash equivalent

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Cash in hand | 44,235 | 131,653 | 11,325 | 104,787 |
| Cash at bank | 76,447,969 | 84,630,398 | 71,207,726 | 80,079,652 |
| | **76,492,204** | **84,762,051** | **71,219,051** | **80,184,439** |

| | | | | |
|---|---|---|---|---|
| **22a. Restricted Cash Deposits** | | | | |
| Restricted Cash Deposits (Non-current) | - | - | - | - |
| Restricted Cash Deposits (Current) | 452,489 | 1,863,839 | 452,489 | 1,863,839 |
| **Total restricted cash deposits** | **452,489** | **1,863,839** | **452,489** | **1,863,839** |
| **Balance of Cash and cash equivalent** | **76,944,693** | **86,625,890** | **71,671,540** | **82,048,279** |

In the Group all restricted cash deposits are from the parent company that amounts to € 452,489.

## 23. Trade and other payables

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Trade payables | 169,824,239 | 121,886,929 | 155,044,181 | 108,234,445 |
| Advances from clients | 66,105,398 | 35,157,836 | 62,968,696 | 32,542,599 |
| Other current payables | 162,394,641 | 116,038,881 | 169,598,388 | 132,008,167 |
| | **398,324,278** | **273,083,647** | **387,611,265** | **272,785,211** |

Due to the addition of new projects of long duration, an amount of €131,892,897 has been reclassified in the comparable period from "Short Term Advances from clients" to the "Non-current liabilities-Prepayments" item. (see note 29)

***AGEING ANALYSIS TRADE AND OTHER PAYABLES (Advances from clients not included)***

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| 0-90 days | 182,641,457 | 116,136,864 | 175,438,874 | 110,853,265 |
| 91-180 days | 27,853,536 | 23,265,804 | 28,231,901 | 24,397,171 |
| 181-365 days | 41,041,848 | 44,919,088 | 40,968,509 | 48,660,978 |
| 366-731 days | 40,309,084 | 19,656,861 | 40,668,745 | 20,507,833 |
| >731 days | 40,372,956 | 33,947,194 | 39,334,541 | 35,823,365 |
| | **332,218,880** | **237,925,811** | **324,642,570** | **240,242,612** |

***AGEING ANALYSIS ADVANCES FROM CLIENTS***

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| 0-90 days | 19,466,603 | 5,325,449 | 18,542,913 | 4,960,801 |
| 91-180 days | 16,872 | 6,974,899 | 16,071 | 6,862,866 |
| 181-365 days | 13,204,980 | 5,123,889 | 12,578,404 | 4,649,849 |
| 366-731 days | 16,109,152 | 10,298,675 | 15,344,773 | 8,811,153 |
| >731 days | 17,307,791 | 7,434,924 | 16,486,536 | 7,257,930 |
| | **66,105,398** | **35,157,836** | **62,968,696** | **32,542,599** |

**Other current payables**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Social security | 7,595,590 | 6,075,236 | 7,011,933 | 5,462,012 |
| Dividends payable | 131 | 131 | - | - |
| Payables to subsidiaries | - | - | 18,240,139 | 32,484,546 |
| Payables to Associates/ other participating companies | 48,218,466 | 22,130,323 | 40,582,354 | 20,772,913 |
| Other payables | 106,580,453 | 87,833,191 | 103,763,962 | 73,288,696 |
| | **162,394,641** | **116,038,881** | **169,598,388** | **132,008,167** |

## 24. Income tax and other tax liabilities

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Income tax | 919,996 | 3,391,236 | 611,639 | 3,000,791 |
| Deffered Tax | 13,352,611 | 8,633,467 | 12,195,864 | 7,469,915 |
| | **14,272,607** | **12,024,704** | **12,807,503** | **10,470,706** |

The tax rate of the Company according to art. 58 Law 4172/2013, as amended by art. 120 of Law 4799/2021 (Government Gazette AD78 / 18.05.2021) and is valid, amounts to 22%.

For the fiscal years from 2015 up to 2022, the Company and its subsidiaries operating in Greece have been subjected to tax auditing by the statutory auditors, according to article 65A paragraph 1 of Law 4174/2013, and received Tax Compliance Certificates with an unqualified opinion. It should also be noted that for the years 2016 onwards, the tax audit and the issuance of a Certificate of Tax Compliance by the Statutory Auditors, are valid on an optional basis. The Group and the Company chose to continue the tax audit by the Certified Public Accountants.

The Large Corporation Tax Bureau has carried out tax audits up to the fiscal year 2016, while for the fiscal year 2017 to 2021 the tax audit is ongoing.

For fiscal year 2023, the Company and its subsidiaries that are taxed in Greece, have been subject to the tax audit by a Certified Public Accountant based on the provisions of no. 65A par. 1 of Law 4174/2013 as amended and valid until today. This audit for the fiscal year 2023 is in progress and the relevant tax certificate is expected to be granted after the publication of the financial statements for the fiscal year 2023. If additional tax liabilities arise until the completion of the tax audit, we estimate that these will not have a material impact on the financial statements.

## 25. Borrowings

**Short term borrowings**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| Short term debentures payable in the following year | 34,540,324 | 47,436,174 | 34,232,824 | 47,436,174 |
| Short term loans | 27,862,609 | 30,684,608 | 27,057,762 | 25,642,007 |
| | **62,402,933** | **78,120,782** | **61,290,586** | **73,078,181** |

Short-term liabilities from loans also include invoice prepayments, with or without recourse, tfrom factoring companies, with a total limit of €15 million, of which €5.1 million is currently utilised

**Long - term borrowings**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| Long term debentures | 197,027,160 | 228,278,071 | 195,021,260 | 228,278,071 |
| Long -term loans | - | 650,000 | - | 650,000 |
| | **197,027,160** | **228,928,071** | **195,021,260** | **228,928,071** |
| **Total Borrowings** | **259,430,093** | **307,048,853** | **256,311,846** | **302,006,252** |

For the purpose of improvedmanagement of various contracts with National Bank (Bond loan agreement and revolving credit facility of AVAX and working capital of ETETH), the company proceeded into a new Bond loan agreement with National Bankamounting to €19,471 thousand, which will include the above, namely existing Bond loan, amounting to €15,890 thousand, revolving credit facility of AVAX amounting to €1,481 thousand, and revolving credit facility of the subsidiary ETETH S.A. amounting to €2,100 thousand.

The tenure of the new bond ends 31/12/27 with a reduction in the margin between to 4.00% and 4.85%, which is the range for previous loans, and to 3.5% for the new bond

**Ageing Analysis of Long Term Borrowings**

| **31.12.2023** | **Between 1 & 2 years** | **Between 2 & 5 years** | **Over 5 years** | **Total** |
|---|---|---|---|---|
| Group | 113,205,750 | 83,650,110 | 171,300 | **197,027,160** |
| Company | 112,870,750 | 82,150,510 | - | **195,021,260** |

| **31.12.2022** | **Between 1 & 2 years** | **Between 2 & 5 years** | **Over 5 years** | **Total** |
|---|---|---|---|---|
| Group | 42,775,000 | 183,153,071 | 3,000,000 | **228,928,071** |
| Company | 42,775,000 | 183,153,071 | 3,000,000 | **228,928,071** |

**According to the Company's and Consolidated financial statements for the period 1.1-31.12.2023, the Company and the Group cover the financial ratios of liquidity, capital adequacy and profitability as amended and in force until today.**

**Sensitivity analysis in interest rates**

According to sensitivity analysis of the Group's financial position to possible changes in the Euribor interest rate, the effect of financial costs on the Group's results and equity amounts to + € 2.74 million at the end of 2023 for each change by +100 basis points (ie + 1%) of the interest rates to which the Group is exposed, against ± € 2.51 million in the previous year. For the Company, the corresponding effect amounts to + € 2.46 million at the end of 2023, compared to ± € 2.21 million at the end of 2022.

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| Short-term Loans | 62,402,933 | 78,120,782 | 61,290,586 | 73,078,181 |
| Debenture/Other Long-term Loans | 197,027,160 | 228,928,071 | 195,021,260 | 228,928,071 |
| Cash and cash equivalents | 76,944,693 | 86,625,890 | 71,671,540 | 82,048,279 |
| **Net loans** | **182,485,400** | **220,422,962** | **184,640,306** | **219,957,973** |
| Leasing Liabilities (IFRS 16) | 91,852,051 | 75,782,027 | 61,507,222 | 46,499,961 |
| **Net financial Liabilities** | **274,337,452** | **296,204,990** | **246,147,528** | **266,457,933** |
| **Change effect by ±1% on EURIBOR** | | | | |
| Income Statement | **2,743,375** | **2,962,050** | **2,461,475** | **2,664,579** |
| Shareholders Equity | **2,743,375** | **2,962,050** | **2,461,475** | **2,664,579** |

### 25a. Change in financial activity

Below is an analysis of the change in liabilities arising from financing activities as reflected in the cash flow statement.

| | GROUP | | |
|---|---|---|---|
| | Long Term Bond Loan Liabilities | Short-term Loan Liabilities | Total |
| **01.01.2023** | **228,928,071** | **78,120,782** | **307,048,853** |
| Non cash flow(discontinued activities) | 243,323 | 1,000,000 | **1,243,323** |
| Cash flow | 2,396,090 | (51,258,173) | **(48,862,083)** |
| Bond Loan Liabilities payable in the next financial year | (34,540,324) | 34,540,324 | - |
| **31.12.2023** | **197,027,160** | **62,402,933** | **259,430,093** |

| | COMPANY | | |
|---|---|---|---|
| | Long Term Bond Loan Liabilities | Short-term Loan Liabilities | Total |
| **01.01.2023** | **228,928,071** | **73,078,181** | **302,006,252** |
| Non cash flow(discontinued activities) | - | - | - |
| Cash flow | 326,013 | (46,020,419) | **(45,694,406)** |
| Bond Loan Liabilities payable in the next financial year | (34,232,824) | 34,232,824 | - |
| **31.12.2023** | **195,021,260** | **61,290,586** | **256,311,846** |

### 26a. Non current assets held for sale

The participation of the parent Company to the subsidiary Volterra (100%) amounts to € 17,942,051.

### 26b. Disposal Group held-for-sale

| | GROUP |
|---|---|
| | 31.12.2023 |
| **Assets** | |
| Disposal Group held for sale | 65,440,378 |
| | |
| **Liabilities** | |
| Disposal Group held for sale | 42,055,149 |

### Discontinued Operations and disposal group assets/liabilities held for sale

In 2021 the Group took the decision to divest from certain holdings, such as the 100% subsidiary Volterra, which is active in the wholesale and retail energy market and Renewable Energy Sources (RES), given the uneven and unpredictable conditions in the international markets energy and the strong demand for purchasing RES projects. In this context, the Company hired a financial consultant to investigate interest from buyers either for the entire Volterra Group, or separately for the RES projects and the activities in the retail & wholesale market of electricity and Natural Gas. During the first half of 2022, Volterra sold to PPC Group its participation in a portfolio of renewable energy sources (RES) with a total capacity of 112 MW. Specifically, PPC Renewables SA acquired 55% of the shares of Volterra K-R SA and Volterra LYKOVOUNI SA, in which it was already a 45% shareholder in each company as of 2019. Volterra K-R SA and Volterra LYKOVOUNI SA own operational wind farms with a total capacity of 69.7 MW in Etoloakarnania and Viotia. Also, PPC Renewables SA acquired 100% of Heliophania SA which owns an operating photovoltaic park with a power of 2.7 MW in Viotia, as well as the companies Volterra DOUKAS SA and Volterra KOUKOULI SA which own wind farms with a total capacity of 39 .5 MW, the construction of which is to start immediately.

Already from the Consolidated Financial Statements of 31.12.2021, but also the corresponding ones of 30.06.2022, according to International Financial Reporting Standards (IFRS 5), the Volterra Group was categorized as a Discontinued Activity". According to IFRS 5, the assets of the disposal group of assets and liabilities, in the consolidated financial statements are reflected in the accounting value, while in the financial statements of the Company they are reflected in the cost of acquisition, given that the book value is the lower between fair value and book value, as it appears from the relevant valuation reports by Independent Appraisers. According to IFRS 5, the financial result from the discontinued activity is shown separately.It is noted that under IFRS 5 a period of 12 months is generally provided to complete the sale of the discontinued operation.

On 30.06.2022, after the sale of RES, the remaining asset disposal group now concerns only energy trading and the recording continues to be made with the book value in the consolidated financial statements and at the acquisition cost in the financial statements of the Company, as long as these values continue to be less than the fair value of the subsidiary, as determined by the relevant valuation reports from Independent Appraisers.

On 31.12.2022, the 12-month criterion under IFRS 5 was not met. The delay was due to the unprecedented energy crisis combined with the war in Ukraine.But the Company remained firmly committed to the sale plan of the electricity trading sector (the RES sector has already been sold). Under IFRS 5, when the delay is due to events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to the plan to sell the asset (or disposal group) the 12-month exemption is provided subject to conditions (§9).In this case it is considered that the Group is within the context case B1c where during the initial one-year period, circumstances that were previously considered unexpected arise and, as a result, a non-current asset (or disposal group) previously classified as held for sale has not been sold until the end of that period and:

I. during the initial one-year period the entity took every measure to respond to the change in circumstances;

II. the non-current asset (or disposal group) is actively traded in the market at a price that is reasonable given the change in circumstances and

III. the criteria of paragraphs 7 and 8 are met.

Therefore, on 31.12.2022, the conditions of §9 and B1c of IFRS 5 continue to be met for the classification of the energy trading sector in held for sale.

During the first half of 2023, negotiations for the sale of Volterra S.A. continued, which were finalized on August 9, 2023, with the signing of the Sales Agreement to Mytilinaios S.A. The completion of the transaction was pending approval by the Competition Commission. Therefore, as of June 30, 2023, the conditions of IFRS 5 for the classification of the energy trading sector as held for sale were met.

On March 7, 2024, approval was granted by the Competition Commission for the sale. Currently, the Group is in the process of transferring IXION shares from Volterra to AVAX, in accordance with the signed sale agreemnet, and following the necessary procedures, the transfer of Volterra is being prepared, expected to be completed by June 30, 2024.

Therefore, as of December 31, 2023, the conditions of IFRS 5 (para. 9, B1a, B1c) for the classification of the energy trading sector as held for sale continue to be met.

Meanwhile, IXION is being consolidated into the Group, according to the signed sale agreement to AVAX, provided that the conditions of approval by the European Competition Commission for the transfer of Volterra have been met.

The result from the discontinued operations in the consolidated income statement of the Group is as follows:

## Income Statement

| | DISCONTINUED OPERATIONS | |
|---|---|---|
| ***Amounts in €*** | **31.12.2023** | **31.12.2022** |
| Turnover | 183,041,594 | 394,239,878 |
| Cost of sales | (175,997,627) | (381,750,136) |
| **Gross profit/ (Loss)** | **7,043,967** | **12,489,743** |
| Profit from RES disposal | - | 39,095,335 |
| Administrative, marketing & selling and other expenses | (7,109,983) | (10,058,980) |
| **Profit/ (Loss) before tax, financial and investment results** | **(66,015)** | **41,526,098** |
| Finance cost (net) | 444,037 | 1,264,566 |
| **Profit/ (Loss) before tax** | **378,022** | **42,790,664** |
| Tax | 3,975 | (824,456) |
| **Profit/ (Loss) after tax** | **381,997** | **41,966,208** |
| Dividend to AVAX | - | (15,000,000) |
| **Profit/(Loss)** | **381,997** | **26,966,208** |

The Company on 31.12.2021 did not offset the depreciation of the 2nd Semester 2021 (€ 2.1 million) with an increase in the value of fixed assets, in accordance with the requirements of IFRS 5, given that the decision on discontinued operations was taken on 01.07.2021

However, the subsidiary RES companies continued to operate and produce energy, increasing the profitability of discontinued operations, during the second half of 2021, i.e. after the decision of 01.07.2021.

At the same time, there was a devaluation of the machines used for energy production.

Consequently, the Company decided and for conservatism purposes that it should not show increased profitability due to the continued operation of the Company and at the same time due to non-depreciation of the value of the machines, which continued to operate.The same applies to VOLTERRA (energy trading)

On 30.06.2022, the Company has not deducted the amount of € 0.07 million, which concerns the depreciation of the first half of 2022 of Volterra (the RES have already been sold), in accordance with the requirements of the standards, because the company continued to operate, generate profits and depreciate its fixed assets

On 31.12.2022, the corresponding amount, i.e. the depreciation of 2022, amounts to € 0.16 million, which have not been deducted for the same reasons, as well as the depreciation of 2023 that amounted to €0.13 mil

## Statement of Financial Position

| | DISPOSAL GROUP | |
|---|---|---|
| ***Amounts in €*** | **31.12.2023** | **31.12.2022** |
| Property, Plant and Equipment | 217,799 | 266,714 |
| Intagible and other Assets | 3,590,382 | 908,874 |
| Clients and other receivables | 48,538,666 | 68,231,251 |
| Other Financial Assets | 13,093,532 | 15,654,376 |
| **Total Assets** | **65,440,378** | **85,061,215** |
| Trade and other creditors | (31,439,620) | (50,355,772) |
| Long term loans | (114,986) | (358,310) |
| Short term loans | (2,250,000) | (3,250,000) |
| Income tax and other taxes payable | (7,987,890) | (5,807,105) |
| Other Financial Liabilities | (262,652) | (2,640,933) |
| **Total Liabilities** | **(42,055,149)** | **(62,412,120)** |
| **Equity of the Disposal Group held for sale** | **23,385,230** | **22,649,095** |

## Cash Flow statement 31/12/2023 (See Cash Flow Statement 31/12/2023)

## Profit/ Loss per share (See Income Statement 1/1/2023 – 31/12/2023)

## 27. Liabilities from Leases (IFRS 16)

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Current liabilities | 21,415,508 | 12,087,691 | 20,128,550 | 10,864,151 |
| Non current liabilities | 70,436,544 | 63,694,337 | 41,378,673 | 35,635,809 |
| **Total lease liabilities** | **91,852,051** | **75,782,027** | **61,507,222** | **46,499,961** |

**Total future minimum lease payments**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| No greater than 1 year | 26,542,340 | 15,756,760 | 23,678,949 | 13,016,907 |
| Greater than 1 year but no more than 5 years | 52,825,624 | 42,154,029 | 39,788,757 | 32,358,429 |
| Greater than 5 years | 39,495,812 | 44,177,613 | 6,250,066 | 8,578,932 |
| | **118,863,775** | **102,088,402** | **69,717,771** | **53,954,268** |
| Future Interest charges | (27,011,724) | (26,306,374) | (8,210,549) | (7,454,307) |
| **Present value** | **91,852,051** | **75,782,027** | **61,507,222** | **46,499,961** |

**Present value of future minimum lease payments**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| No greater than 1 year | 21,415,508 | 12,087,691 | 20,128,550 | 10,864,151 |
| Greater than 1 year but no more than 5 years | 41,457,153 | 32,076,829 | 35,721,857 | 27,996,684 |
| Greater than 5 years | 28,979,390 | 31,617,507 | 5,656,816 | 7,639,125 |
| **Present value** | **91,852,051** | **75,782,027** | **61,507,222** | **46,499,961** |

The change of Leasing liabilities for 31/12/2023 and 31/12/2022 is as follows:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| **Beginning** | **75,782,027** | **53,160,534** | **46,499,961** | **26,138,920** |
| Acquisitions of the period | 33,028,203 | 28,217,843 | 30,722,662 | 24,599,845 |
| Leasing Payments(repayment of capital) | (16,958,179) | (5,589,454) | (15,715,400) | (4,238,804) |
| Modifications in the contract terms | - | (6,895) | - | - |
| **Total** | **91,852,051** | **75,782,027** | **61,507,222** | **46,499,961** |
| | | | | |
| Interest charges for the Period | (4,964,116) | (2,950,248) | (3,277,371) | (1,362,697) |
| Leasing Payments(repayment of capital) | (16,958,179) | (5,589,454) | (15,715,400) | (4,238,804) |
| **Total leasing payments** | **(21,922,295)** | **(8,539,702)** | **(18,992,771)** | **(5,601,501)** |

The Group's policy regarding the need of new equipment is to lease equipment with financial leases. The average lease term is 48 months for both the Company and the Group. For the period until December 2023, the average real interest rate was 5.0%. Interest rates are fixed at the date of the contract. All leases are concluded on a fixed payment basis and there are no agreements for the payment of any future possible leases. The Group has the right to extend the contracts for a certain period of time or to purchase the equipment instead of the price specified in the contract. All rental obligations are expressed in Euros. The Group's liabilities from financial leases are secured for the lessor by the parent company.

**28. Provisions for retirement benefits**

*(amount in €)*

According to the Greek legislation, employees are entitled to compensation in the event of dismissal or retirement, depending on the employee's salary, years of service and the manner of departure (dismissal or retirement). Employees who resign or are reasonably dismissed are not entitled to compensation. In Greece, retired employees are entitled to 40% of the compensation according to Law 2112/1920. The specific programs are defined benefit programs in accordance with IAS 19.

The estimates for the defined benefit obligations of the Group in accordance with IAS 19 was calculated by an independent actuarial company. The movement of the net liability in the Statement of Financial Position, after the adoption of the revised IAS 19, is as follows:

**GROUP**

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| **Amounts recognized in Profit and Loss statement** | | |
| Current cost service | 400,401 | 425,775 |
| Recognition of past service cost | - | - |
| Interest cost | 97,236 | 30,003 |
| Benefit payments from the plan | - | (7,058) |
| **Total P&L charge** | **497,637** | **448,720** |
| | | |
| **Movements in Net Liability/(Asset) in BS** | | |
| Net Liability/(Asset) in BS at the beginning of the period | 3,244,153 | 4,671,899 |
| Benefits paid by the company | (586,694) | (15,623) |
| Lay off Compensations | - | - |
| Total expense recognized in the income statement | 497,637 | 448,720 |
| Total expense recorded in the statement of other comprehensive income | 339,817 | (1,860,843) |
| **Net Liability/(Asset) in BS** | **3,494,913** | **3,244,153** |
| | | |
| **Reconciliation of benefit obligation** | | |
| Defined benefit obligations at the beginning of the period | 3,244,153 | 4,671,899 |
| Current cost service | 400,401 | 425,775 |
| Interest cost | 97,236 | 30,003 |
| Benefits paid by the company | (586,694) | (15,623) |
| Lay off Compensations | - | - |
| Settlement/Curtailment/Termination loss/gain | - | (7,058) |
| Total amount recognized in the OCI | 339,817 | (1,860,843) |
| **Defined benefit obligations at the end of the period** | **3,494,913** | **3,244,153** |
| | | |
| Discontinued activities | 76,453 | 67,859 |
| | | |
| **Defined benefit obligations at the end of the period(continuing activities)** | **3,418,460** | **3,176,294** |

**COMPANY**

The table below outlines where the Company's retirement benefit amounts are included in the financial statements. The DBO plan was carried out by an independent actuarial company.

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| **Amounts recognized in Profit and Loss statement** | | |
| Current cost service | 316,221 | 345,118 |
| Recognition of past service cost | - | - |
| Interest cost | 81,389 | 24,769 |
| Benefit payments from the plan | - | - |
| **Total P&L charge** | **397,610** | **369,887** |
| | | |
| **Movements in Net Liability/(Asset) in BS** | | |
| Net Liability/(Asset) in BS at the beginning of the period | 2,715,914 | 4,148,509 |
| Benefits paid by the company | (580,161) | (15,167) |
| Total expense recognized in the income statement | 397,610 | 369,887 |
| Total expense recorded in the statement of other comprehensive income | 372,707 | (1,787,315) |
| **Net Liability/(Asset) in BS** | **2,906,070** | **2,715,914** |
| | | |
| **Reconciliation of benefit obligation** | | |
| Defined benefit obligations at the beginning of the period | 2,715,914 | 4,148,509 |
| Current cost service | 316,221 | 345,118 |
| Interest cost | 81,389 | 24,769 |
| Settlement/Curtailment/Termination loss/gain | - | - |
| Benefits paid by the company | (580,161) | (15,167) |
| Total amount recognized in the OCI | 372,707 | (1,787,315) |
| **Defined benefit obligations at the end of the period** | **2,906,070** | **2,715,914** |

**The principal actuarial assumptions used were as follows:**

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Discount rate | 2.8% | 3.0% |
| Future salary increases | 2.5% | 3.0% |
| Mortality rate | MT_EAE2012P (Bank of Greece, Credit & Insurance Committee, Meeting49/12.09.2012) | MT_EAE2012P (Bank of Greece, Credit & Insurance Committee, Meeting49/12.09.2012) |
| **Personnel mobility:** | | |
| Age group | Voluntary Departure | Voluntary Departure |
| Up to 40 years old | 0% | 0% |
| 41-55 years old | 0% | 0% |
| 55 and over | 0% | 0% |
| Average retirement age | Men-Women : 62 years old | Men-Women : 62 years old |

**Number of personnel**

The number of employees on 31/12/2023 in the Group was 1.928 people (compared to 1.628 on 31/12/2022) and at company level amounts to 1.427 (compared to 1.123 on 31/12/2022). The number of employed personnel does not include the staff of the Joint Ventures in which the Group and the Company participate.

**29. Other provisions and non-current liabilities**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Other provisions | 12,702,873 | 12,908,027 | 11,557,831 | 12,885,595 |
| Other Non-current liabilities | 21,407,592 | 18,152,774 | 12,406,268 | 6,540,041 |
| Non-current liabilities-Prepayments | 170,253,530 | 131,892,897 | 170,253,530 | 131,892,897 |
| | **204,363,995** | **162,953,698** | **194,217,629** | **151,318,533** |

Due to the addition of new projects of long duration, an amount of €131,892,897 has been reclassified in the comparable periodfrom Short Term Advances from clients to the "Non-current liabilities-Prepayments" item. (see note 23)

There are pending court cases and arbitrations on contractual disputes and other issues against the Group's companies. To cover potential losses from pending litigation a total provision of € 7.711 thousand has been formed, of which € 6.215 thousand relates to previous years and € 1.496 thousand relates to the current year.

On a periodic basis, the Group's Management examines the stage at which each significant matter occurs and evaluates the potential economic risk based on the views of its legal advisers. If the potential loss from any claims and legal claims is considered probable and the relevant amount can be reliably estimated, the Group's Management recognizes a provision for the estimated loss. The Management's judgment is required to a significant extent both to determine the probability and the extent to which the risk can be reliably estimated.

When additional information becomes available, the Group's Management reviews the potential or probable liabilities for outstanding claims and legal affairs and may revise the estimates. Such revisions may have a material effect on the Group's financial position and results.

A number of litigation claims against the Group are pending and their final outcome cannot be foreseen at this point. Therefore no provision was made for the Group. It is our view that any claims collected following a Court Order will not materially change the Group Equity.

**30. Share capital**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Paid up Share Capital (31.12.2023: Shares 148.321.516 of €0,30 and 31.12.2022:Shares 144.321.516 of € 0,30) | 44,496,455 | 43,296,455 | 44,496,455 | 43,296,455 |
| Share premium account | 145,451,671 | 146,651,671 | 145,451,671 | 146,651,671 |
| | **189,948,126** | **189,948,126** | **189,948,126** | **189,948,126** |

In implementation of the decision of the Annual General Meeting of Shareholders on June 24, 2021, the Company issued 4,000,000 common registered shares with a nominal value of €0.30 each in December 2023, €1,200,000 from the capitalising hare Premium Reserve . The new shares were distributed free of charge to a total of 52 executives and other members of the Company's personnel, as well as business associates with it, in accordance with the terms of Article 114 of Law 4548/2018, and were listed for trading on the Athens Stock Exchange in January 2024. Out of the total of 4,000,000 new shares distributed to the 52 beneficiaries, the 5 executive members of the Company's Board of Directors received a total of 1,150,000 shares.

**31. Other Reserves**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Revaluation of participations and securities & of other assets | 18,442,156 | 15,727,743 | 12,439,039 | 10,427,879 |
| Cash Flow hedging Reserves | 2,885,462 | 5,561,892 | - | - |
| Regular and Other Reserves | 22,246,887 | 18,670,150 | 16,955,031 | 14,790,183 |
| | **43,574,505** | **39,959,784** | **29,394,071** | **25,218,062** |

The Cash Flow Hedging regards the following self-financed projects:

| | GROUP SHARE | |
|---|---|---|
| | 31.12.2023 | 31.12.2022 |
| Aegean Motorway S.A. | 2,885,462 | 5,561,892 |
| | **2,885,462** | **5,561,892** |

The Group uses complex financial products on a case by case basis in cooperation with the banking sector in order to offset the cash flow mainly to specific investments in self-financed projects. The part of the high effectively cash flow hedge of these investments is recognised directly in equity through the Statement of changes in Equity of the concession companies, in accordance with the International Accounting Standards. The ineffective portion of profit or loss is recognised directly in the income statement of the companies. Therefore, in the consolidated financial statements, the Group records its share, respectively, of how it is recorded in associates in accordance with International Accounting Standard 28.

### 32. Revaluation Reserves for Financial Assets at fair value

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Revaluation Reserves for Financial Assets at fair value through other comprehensive income | 95,103,473 | 87,837,596 | 65,730,936 | 52,096,477 |
| | **95,103,473** | **87,837,596** | **65,730,936** | **52,096,477** |

### 33.Reserves from foreign profits Law 4171/61

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Reserves from foreign profits Law 4171/61 | 50,918,719 | 38,676,944 | 50,918,719 | 38,676,944 |
| | **50,918,719** | **38,676,944** | **50,918,719** | **38,676,944** |

### 34. Reserves art 48 L.4172/2013

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Reserves art 48 L.4172/2013 (Intra-company tax-exempt dividends) | 514,047,536 | 270,327,337 | 472,715,670 | 253,075,574 |
| | **514,047,536** | **270,327,337** | **472,715,670** | **253,075,574** |

### 35. Non-controlling interest

| | GROUP | GROUP |
|---|---|---|
| | 31.12.2023 | 31.12.2022 |
| Beginning balance 1/1 | 904,088 | 14,192,033 |
| Additions / (Decrease) | 101,010 | (15,060,743) |
| Period movement | 103,693 | 1,772,798 |
| | **1,108,791** | **904,088** |

### 36. Memorandum accounts - Contingent liabilities

| | GROUP | COMPANY |
|---|---|---|
| | 31.12.2023 | 31.12.2023 |
| Letters of Guarantee | 792,013,634 | 756,257,063 |
| Other memorandum accounts | 68,990 | 59,328 |
| | **792,082,624** | **756,316,391** |

### 37. Encumbrances - Concessions of Receivables

For the purpose of securing bank claims for the issuance of bond loans, there are mortgage notes amounting to €15,397 thousand on the Company's property and €28,797 thousand on the Group's property respectively. Furthermore, for the same reason there have been pledged claims of performance guarantees, future claims from projects execution as well as legally disputed claims.

In the amounts concerning the Group, the corresponding amount concerning the discontinued operations (Volterra) is zero.

**38. Transactions with related parties**

The Group is controlled by AVAX. The members of the Board of Directors and the related legal entities hold approximately 59% of the share capital of the Company, without any substantial change compared to the previous year, while the remaining approximately 41% of the shares are held by the public. Several transactions with affiliated companies are accounted for by the Company and its subsidiaries during the year. Sales and purchases from and to affiliated companies are made at the actual market prices.

Account balances shown at the end of the year are not covered by guarantees and are settled in cash. For the years 2023 and 2022 the Group did not enter a provision for doubtful receivables from affiliated companies, as until now the course of payments was without problems. Transactions between Group companies (intra-group) are eliminated when consolidating their financial statements.

***Year ended 31 December 2023***

*(all amounts in € thousands)*

**Group**

| | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| AG.NIKOLAOS CAR PARK S.A. | 43 | - | 3 | - |
| OLYMPIA ODOS OPERATIONS S.A. | 1,821 | - | 107 | - |
| OLYMPIA ODOS CONCESSION S.A. | 1,227 | 96 | 83 | 578 |
| KEDRINOS LOFOS S.A. (FLYOVER) | - | - | 245 | - |
| KEDRINOS LOFOS OPERATIONS (FLYOVER) | - | - | 3 | - |
| ATTIKA ROAD S.A. | 22,123 | 283 | 2,401 | 12,765 |
| ATTIKA DIODIA S.A. | - | 16 | 47 | 402 |
| AEGEAN MOTORWAY S.A. | 10,936 | 25 | 190 | 543 |
| MOREAS S.A. | 4,135 | - | 249 | 1 |
| SALONICA PARK S.A. | 35 | - | 13 | - |
| POLISPARK S.A. | 4 | - | 1 | - |
| ATHENS CARPARKS S.A. | 111 | - | - | - |
| METROPOLITAN ATHENS PARK S.A. | - | - | 0 | - |
| BIOENERGY S.A. | 2 | - | 55 | - |
| BONATTI J&P-AVAX Srl | 72 | - | 405 | - |
| VOLTERRA S.A. | 315 | 965 | - | 2,924 |
| ILIA WASTE MANAGEMENT (PPP) | 1,015 | - | 6,206 | 4 |
| ILIA WASTE MANAGEMENT OPERATIONS (PPP) | 254 | - | 868 | - |
| PYRAMIS S.A. | - | - | - | 410 |
| LIMASSOL MARINA LTD | - | - | 19,064 | - |
| J&P (UK) LTD LONDON | - | - | - | 31 |
| JCH SERVICES LTD | - | - | - | 63 |
| 5N S.A. | 3 | - | 15 | - |
| CYCLADES ENERGY CENTER S.A. | 54 | - | 82 | - |
| JCGH LTD | - | 32 | - | 1,397 |
| CSME HOLDINGS LTD | - | 25 | - | 1,096 |
| HONEYSUCKLE PROPERTIES LTD | - | 17 | - | 750 |
| J/V J&P-AVAX - J&PARASKEVAIDES OV.LTD (JORDAN) | 33 | - | 1,708 | - |
| JOINT VENTURES | 2,642 | - | 20,456 | 15,991 |
| Management members and Board Directors | - | 3,319 | - | 1,319 |
| | **44,825** | **4,778** | **52,203** | **38,274** |

**Company**

| | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| ETETH S.A. | 8,504 | 166 | 878 | 3,922 |
| TASK AVAX SINGLE SHAREHOLDER S.A. | 530 | 3,627 | 1,233 | - |
| AVAX IKTEO S.A. | - | 46 | - | 542 |
| GLAVIAM S.A. | 4 | - | 9 | - |
| AVAX DEVELOPMENT SINGLE SHAREHOLDER S.A. | 325 | - | 9,142 | 3 |
| ATHENA CONCESSIONS S.A. | - | - | - | 10 |
| ERGONET | 20 | - | 55 | - |
| ATHENS MARINA | 1,234 | - | 2,438 | - |
| BONATTI J&P-AVAX Srl | 72 | - | 404 | - |
| AVAX CONCESSIONS SINGLE SHAREHOLDER S.A. | 6,915 | - | 221,474 | - |
| VOLTERRA S.A. | 315 | 965 | 162 | 4,142 |
| IXION ENERGY SINGLE SHAREHOLDER S.A. | 24 | - | - | - |
| P.S.M. SUPPLIERS LTD | 82 | - | 44 | 2,711 |
| AVAX INTERNATIONAL LIMITED | 62 | 4,026 | 2,235 | 12,290 |
| GAS AND POWER TECH DMCC | - | 155 | - | - |
| CONSPEL (CYPRUS) LIMITED | 24 | - | - | 123 |
| OLYMPIA ODOS OPERATIONS S.A. | 334 | - | - | - |
| OLYMPIA ODOS S.A. | 933 | - | 82 | 282 |
| KEDRINOS LOFOS S.A. (FLYOVER) | 993 | - | 245 | - |
| KEDRINOS LOFOS OPERATION S.A. (FLYOVER) | 3 | - | 3 | - |
| ATTIKA ROAD S.A. | 33,719 | 267 | 1,415 | 12,697 |
| ATTIKA DIODIA S.A. | 390 | - | - | - |
| AEGEAN MOTORWAY S.A, | 222 | 0 | 0 | 0 |
| MOREAS S.A. | 1,357 | - | - | - |
| POLISPARK S.A. | 0 | - | - | - |
| METROPOLITAN ATHENS PARK S.A. | - | - | 0 | - |
| BIOENERGY S.A. | 2 | - | 55 | - |
| ILIA WASTE MANAGEMENT (PPP) | 758 | - | 6,206 | 4 |
| ILIA WASTE MANAGEMENT OPERATIONS (PPP) | 254 | - | 868 | - |
| PYRAMIS S.A. | - | - | - | 410 |
| LIMASSOL MARINA LTD | - | - | 19,064 | - |
| J&P (UK) LTD LONDON | - | - | - | 31 |
| J/V J&P-AVAX - J&PARASKEVAIDES OV.LTD (JORDAN) | 33 | - | 1,708 | - |
| CYCLADES ENERGY CENTER S.A. | 54 | - | 82 | - |
| JCGH LTD | - | 32 | - | 1,397 |
| CSME HOLDINGS LTD | - | 25 | - | 1,096 |
| HONEYSUCKLE PROPERTIES LTD | - | 17 | - | 750 |
| JOINT VENTURES | 2,361 | - | 20,031 | 15,797 |
| Management members and Board Directors | - | 1,301 | - | 953 |
| | **59,521** | **10,626** | **287,834** | **57,160** |

## 38. Transactions with related parties (continued from previous section)

***Year ended 31 December 2022***
*(all amounts in € thousands)*

**Group**

| | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| AG.NIKOLAOS CAR PARK SA | 47 | - | - | - |
| OLYMPIA ODOS OPERATIONS SA | 8,245 | - | 296 | - |
| OLYMPIA ODOS CONCESSION SA | 757 | - | 28 | 780 |
| GEFYRA OPERATIONS SA | 225 | 0 | - | - |
| GEFYRA SA | 4,132 | - | 2 | - |
| ATTIKA ROAD S.A | 8,387 | 261 | 1,484 | 16,029 |
| AEGEAN MOTORWAY SA | 10,161 | 0 | 74 | 495 |
| MOREAS S.A. | 4,353 | - | 383 | - |
| SALONICA PARK S.A. | 35 | - | 13 | - |
| POLISPARK S.A. | 10 | - | 5 | - |
| ATHENS CARPARKS S.A. | 122 | - | - | - |
| METROPOLITAN ATHENS PARK S.A. | - | - | 0 | - |
| BIOENERGY SA | 3 | - | 55 | - |
| BONATTI J&P-AVAX SRL | 117 | - | 331 | - |
| VOLTERRA S.A. | 15,466 | 1,099 | 15,000 | 17,924 |
| ILIA WASTE MANAGEMENT (PPP) | 2,127 | - | 5,772 | 6 |
| ILIA WASTE OPERATIONS (PPP) | 302 | - | 574 | - |
| PYRAMIS SA | - | 371 | - | 429 |
| LIMASSOL MARINA LTD | - | - | 22,581 | - |
| J&P (UK) LTD LONDON | - | - | - | 31 |
| JCH SERVICES LTD | - | - | - | 63 |
| 5N S.A. | 3 | - | 151 | - |
| ENERSYSTEM FZE | - | 3,178 | - | 78 |
| CYCLADES ENERGY CENTER SA | 54 | - | 54 | - |
| J/V J&P-AVAX - J&PARASKEVAIDES OV.LTD (JORDAN) | 58 | - | 333 | - |
| JOINT VENTURES | 1,282 | - | 19,186 | 9,952 |
| Management members and Board Directors | - | 3,606 | - | 675 |
| | **55,885** | **8,516** | **66,322** | **46,461** |

**Company**

| | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| ETETH SA | 6,076 | 92 | 992 | 7,389 |
| TASK AVAX SINGLE SHAREHOLDER SA | 190 | 2,660 | - | 1,094 |
| AVAX IKTEO S.A. | - | 33 | - | 496 |
| GLAVIAM S.A. | 4 | - | 5 | - |
| AVAX DEVELOPMENT | 325 | - | 13,102 | 3 |
| ATHENA CONCESSIONS S.A. | - | - | 1 | 12 |
| ERGONET | 19 | - | 22 | - |
| MONDO TRAVEL SA (UNDER LIQUIDATION) | - | - | - | 71 |
| ATHENS MARINA | 1,081 | - | 1,170 | 45 |
| BONATTI J&P-AVAX SRL | 117 | - | 331 | - |
| AVAX CONCESSIONS SINGLE SHAREHOLDER SA | 306 | - | 237,949 | - |
| VOLTERRA S.A. | 15,466 | 1,099 | 16,158 | 18,823 |
| P.S.M. SUPPLIERS LTD | 530 | - | 44 | 1,860 |
| AVAX INTERNATIONAL LIMITED | 26 | 17,540 | 948 | 21,581 |
| GAS AND POWER TECH DMCC | 271 | 431 | 808 | - |
| CONSPEL (CYPRUS) LIMITED | - | - | 324 | - |
| OLYMPIA ODOS OPERATIONS SA | 1,830 | - | 38 | - |
| OLYMPIA ODOS SA | 424 | - | 25 | 780 |
| GEFYRA OPERATIONS SA | 225 | - | - | - |
| GEFYRA SA | 4,124 | - | - | - |
| ATTIKA ROAD S.A | 20,055 | 227 | - | 15,992 |
| AEGEAN MOTORWAY SA | 202 | 0 | 0 | 0 |
| MOREAS S.A. | 523 | - | 12 | - |
| POLISPARK S.A. | 4 | - | 4 | - |
| METROPOLITAN ATHENS PARK S.A. | - | - | 0 | - |
| BIOENERGY SA | 2 | - | 55 | - |
| ILIA WASTE MANAGEMENT (PPP) | 1,748 | - | 5,772 | 6 |
| ILIA WASTE OPERATIONS (PPP) | 302 | - | 574 | - |
| PYRAMIS SA | - | 371 | - | 429 |
| LIMASSOL MARINA LTD | 14,872 | - | 22,581 | - |
| J&P (UK) LTD LONDON | - | - | - | 31 |
| J/V J&P-AVAX - J&PARASKEVAIDES OV.LTD (JORDAN) | 58 | - | 333 | - |
| CYCLADES ENERGY CENTER SA | 54 | - | 54 | - |
| JOINT VENTURES | 1,267 | - | 18,994 | 9,757 |
| Management members and Board Directors | - | 1,221 | - | 391 |
| | **70,101** | **23,674** | **320,294** | **78,760** |

**39. Joint Venture Projects with J&P (Overseas) Ltd**

On 11.10.2018, it was announced that international contractor J&P (Overseas) Limited, incorporated in Guernsey, filed for liquidation to address the deficits and liquidity problems it faced. Given that the Company participated in four joint venture projects with J&P (Overseas) Limited in Jordan and Qatar, it was necessary to review the respective contracts with the clients and banks involved in these projects. The Company made, and still does, every effort to continue and complete these projects (except the two road projects and QFS in QATAR that have already been completed) in the most technically perfect way, to ensure the Company's future presence in the construction market of the wider Arab world as well as its access to the local banking system.

A detailed report on this matter may be found in the Report of the Board of Directors for the Annual Financial Report 2018, under the "Important post balance sheet date Developments & Events" section.

More specifically, the status of each project is as follows:

**1a. Roadworks in Qatar**
The projects have been completed

**1b. Qatar Foundation Stadium**
The Group fully consolidated, for the first time the activities in Qatar, through the consolidation of AVAX ME in the financial statements on 30.06.2019, as it essentially replaced the J&P (Overseas) Ltd group, which had already been liquidated, in order to ensure the completion of local projects, with the main one being the Qatar Foundation Stadium, which has been completed and hosted the 2022 World Cup.

The QFS project was carried out on a joint venture between the Company and former subsidiaries of J&P (Overseas) Ltd, which came under the control of AVAX ME. The Company indirectly increased its participation in the execution of the project. The remaining projects were acquired through the acquisition that involved large-scale E / M subcontracting for third party clients in Qatar.

During the consolidation process, significant loan liabilities and outstanding project balances were initially identified. However, the course of the liquidation of J&P (Overseas) Ltd made difficult the financial position of the Group. A relevant report had been made in the Company's Prospectus on 20.01.2020, where it was recorded that the inability to collect receivables from projects totaling approximately $ 140m. created conditions of temporary cash constraints for which the Company was considering since the end of 2019 various possible actions, including discussions with the local partner Fahad Trading W.L.L. (who owned 51%), for a full acquisition of these companies.

Eventually, due to the continuous deterioration of cash liquidity, the Company proceeded to this solution, ie it decided to sell these companies to the local partner with whom a draft contract of sale was made. Specifically, according to the draft contract of sale, the Group of companies of AVAX SA. will have to pay a compensation for the sale to the local partner of € 29.4m. (QAR 120m.), for which a provision has already been made in the Financial Statements of 31.12.2019 and it will be settled with a payment of € 21.0m. from AVAX SA, while the remaining amount of € 8.4m. will be given by AVAX S.A. for the share Capital increase of "AVAX INTERNATIONAL LIMITED" (100% subsidiary of AVAX SA), which will be a sale compensation for the sale of AVAX ME subsidiaries in Qatar.

The local partner Fahad Trading WLL, has essentially taken over the management of the projects in question since the beginning of 2020, has full and exclusive communication with the banks, the communication with the customers and the receipts and payments of the project. As a result, the companies Conspel Qatar WLL and J&P Qatar WLL as well as the project 'Education City Stadium' (24% belongs to AVAX SA) are not included in the financial statements of the Group.

Due to several lawsuits against the J/V, it has been stipulated in the sales agreement that all legal cases of the J/V will be handled by the local partner. On 19/10/2023, the agreement with the local partner was signed, with the agreement that installments would begin in 60 business days. Up to today, three installments of QAR 30 million each (approximately €7.5 million) have been given. The fourth installment will be given 2 months after the completion of AVAX's exit process from the J/V, as anticipated. Following that, the next 6 installments of QAR 60 million each (approximately €15 million) will continue until completed in 31/12/2024.

The balance of around €7.5 million will be paid when Group Companies, Conspel Qatar and J&P Qatar, participating with a 49% stake in Avax Middle East (inactive subsidiary of Avax International), are transferred to the local partner, provided the procedure is completed over the next 18 months. Failing that the company guarantee provided by AVAX to Qatar National Bank will lapse with no payments made. The liability for the agreed amounts have been recognised in past periods.

**2. Jordan**
This project regards the upgrade of the baggage management system in Queen Alia International Airport (Amman), and is an extension of an earlier contract signed by the local government to build a modern airport. The contract was signed on 12.04.2018 representing a value of € 24.8 million for our Company, which corresponds to a 50% participation.

With this agreement, AVAX SA fully undertook the continuation of the project

The project has been completed and is in a use stage
The bank guarantees of advance payment & of performance for the project of current total value € 12,4 mil. have been issued solely by our company, they have been reduced to € 0,98 mil and are expected to be refudend by the end of November

The independent engineer, in his missive dated 5/4/2024, addressed to the client, informs them that the performance guarantees must be returned due to the contractor's fulfillment of obligations and the expiration of the warranty period without any outstanding issues, with the simultaneous obligation of the client to release the retention of performance.

**40.Fair Value measurement**

The financial assets and financial liabilities of the Group, measured at fair value at the Balance Sheet date, are analyzed as follows:

| **31.12.2023, amounts in € '000** | **GROUP** | **COMPANY** | |
|---|---|---|---|
| **Assets** | **Fair Value** | **Fair Value** | **Fair Value Hierarchy** |
| Tangible Fixed Assets (Land / Buildings) | 19,240 | 14,618 | 2 |
| Right of use assets | 58,351 | 22,657 | 2 |
| Investments in Property | 6,944 | 2,265 | 2 |
| Financial Assets in Fair Value through other Other Comprehensive Income | 137,080 | 160,871 | 3 |
| Work in Progress | 6,367 | 3,028 | 2 |

| **31.12.2022, amounts in € '000** | **GROUP** | **COMPANY** | |
|---|---|---|---|
| **Assets** | **Fair Value** | **Fair Value** | **Fair Value Hierarchy** |
| Tangible Fixed Assets (Land / Buildings) | 20,159 | 15,679 | 2 |
| Right of use assets | 56,399 | 21,603 | 2 |
| Investments in Property | 11,538 | 2,246 | 2 |
| Financial Assets in Fair Value through other Other Comprehensive Income | 132,176 | 141,045 | 3 |
| Work in Progress | 3,440 | 1,558 | 2 |

The administration estimated that the cash and short-term deposits, customers, suppliers and other current liabilities approximate their carrying value, primarily because of their short maturities.

**Fair Value Hierarchy**

The Group and the Company use the following hierarchy to define and disclose the fair value of receivables and payables per valuation method:

**Level 1:** based on negotiable (non-adjusted) prices in active markets for similar assets or liabilities

**Level 2:** based on valuation techniques for which all data with substantial effect on the fair value are visible, either directly or indirectly, while also including valuation techniques with negotiable prices at less active markets for similar or equivalent assets or liabilities

**Level 3:** based on valuation techniques utilising data with substantial effect on fair value, as opposed to apparent market data

The fair value of financial assets and liabilities is the value at which an asset or liability could be traded in a current transaction between consenting parties, differing from the price of a forced liquidation or sale. The following methods and assumptions were used to calculate the fair values:

For 2023, the property for investment and for own use (property / buildings) in their majority were valued by independent auditors. The method used for the valuation is market value

The financial assets at fair value through other comprehensive income (Long-term and Other Financial Assets - Long-term) of level 3 relate mainly to investments in concession companies. The valuation of the most important concession companies was carried out by independent appraisers. They were based on data from financial models, approved by concession companies and financing banks. The discount rate for 31.12.2023 ranges between 7.1% and 8.7%, in proportion to the stage of completion and the degree of maturity of each concession project, and in proportion to the total risk assessed in Greece and abroad.

For financial assets at fair value through other comprehensive income, the estimate is made at current prices because they are listed and traded on regulated stock markets in Greece and abroad.

Long-term and short-term borrowing is assessed by the Group and the Company based on parameters such as interest rates, specific country risk factors or current prices at the date of preparation of the financial statements.

**41. Risk Management**

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Market risk
- Interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk.

This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous year unless otherwise stated in this note.

***(i) Principal financial instruments***

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Investments in quoted and unquoted equity securities
- Trade and other payables
- Bank overdrafts
- Floating-rate bank loans
- Fixed rate bank loans, and
- Interest rate swaps.

***(ii) Financial instruments by category***

Financial assets and liabilities by category please refer to note 40.

***(iii) Financial instruments not measured at fair value***

Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value.

***(iv) Financial instruments measured at fair value***

The fair value hierarchy of financial instruments measured at fair value is provided in note 40. There were no transfers between levels during the period. There were no changes to the valuation techniques during the period.

For the reconciliation of the opening and closing fair value balance of level 3 financial assets, and for the sensitivity analysis of a reasonable change of the discount factor (±1%) used for the measurement of the fair value of level 3 financial instruments, please refer to note 15.

**General objectives, policies and processes**

The **Board** has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and the policies to the **Risk Management Committee**. The **Board** receives reports through which it reviews and controls the effectiveness of the processes put in place and the appropriateness and the management of the objectives and policies it sets. The **Group's internal auditors** also review the risk management policies and processes and report their findings to the **Audit Committee**.

The overall objective of the Board through the Risk Management committee is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Within 2023, the Management decided to improve the Risk Management system by:
a) development of the group's risk management policy
b) writing the Group's risk management procedures manual
c) risk assessment study and risk register development
d) appointment of a Risk Management Officer with his support from an established Risk Management Committee

**Credit Risk**

The **Strategic Planning & Risk Management Committee** has adopted a credit policy according to which each new customer is individually examined for his creditworthiness before officially offering him the standard terms and conditions of payment and delivery. As far as public works are concerned, until there are improvements in the economic environment, the Group's policy is to participate only in tenders where the financing is secured by European Union funds.

**Cash in bank and short-term deposits**
The **Strategic Planning & Risk Management Committee** through the **Finance Function** monitors the credit ratings of counterparties regularly and at the reporting date does not expect any losses from non-performance by the counterparties.

**Market risk**
Market risk arises from the group's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange (currency risk) or other market factors (other price risk).

**Interest rate risk**
The Group is exposed to interest rate risk from long-term borrowings at variable rate (Euribor interest rate). For sensitivity analysis in a reasonable change (±1%) in the interest rate on loans, see note 25.

**Foreign exchange risk**

Please refer to note 9c.

**Other market price risk**
The group holds some strategic investments abroad through branches, or strategic equity investments in other companies abroad for the purpose to expand its operations and diversify the relevant risks. The risk management committee believes that the above exposure is acceptable in the group's circumstances.

**Liquidity risk**
Group policy ensures that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements analytically for a period of a month. The Board receives a cash flow projection on a annual and a monthly basis, prepared by the Finance Division which also prepares summary 5-year budgets and cash flows which are updated on a quarterly basis.

**42. Important events during 2023**

*Sale of 100% subsidiary Volterra SA*

Following the sale of the participations of 100% subsidiary Volterra SA in a 112MW RES project portfolio to PPC Group in the first half of 2022, AVAX signed in August 2023 an agreement with Mytilineos Group regarding the sale of its entire stake in Volterra, a transaction is line with the Company's strategic plan to focus on construction, concessions and real estate which exhibit positive growth prospects for the coming years. The transaction was approved by the Competition Commission on 07.03.2024. The Group is currently in the process of transferring the shares of IXION SA from Volterra to AVAX SA, in line with the signed sale agreement, and is proceeding with the transfer of Volterra SA, which is expected to be completed by 30.06.2024. As of 31.12.2023, the prerequisites of the IFRS 5 (paragraph 9, section B1a and B1c) are met regarding the classification of the energy trading activity as Group of Assts and Liabilities for Disposal.

*[see the relevant Note to the Financial Statements for further details]*

*New Projects*

The Group was particularly successful in 2023 regarding the addition of new projects by the Group, having signed initial and supplementary contracts for public & private works, subcontracts and services with a total value of €1,443 million, on the back of signing contracts totaling €875 million in 2022. The new projects provide a further boost to the Group's work-in-hand, entering a period of accelerating pace of execution of Group projects and set up of construction sites to start new projects.

*Work-in-Hand*

The Group's work-in-hand based on signed projects as of 31.12.2023 amounted to €3,047 million, compared to €1,861 million at the end of 2022. So far in 2024 up until the publication of this Financial Report, the Group has signed some low-value contracts, while currently there are contracts pending to be signed worth €243 million to the Group. Taking into account all afore-mentioned projects, and excluding the execution of projects during 2024, the Group's work-in-hand currently amounts to around €3.3 billion. Out of this total, domestic and international projects account for 78% and 22% respectively, while public sector-related works represent 46% and private sector and PPP projects make up 54% of the total. At the same time, bidding and signing of new projects continues, the largest part of which will be executed beyond 2024. Based on the afore-mentioned data on signed and pending projects, project execution is projected at some €680 million for 2024, with the balance scheduled from 2025 onwards.

It should be noted that the Group's work-in-hand is a strong indicator, yet not an accurate and binding forecast for the evolution of future revenues from the Group's construction activity. Occasionally, there are changes and adjustments to the technical scope of the contracts related to various external factors or delays caused by amendments to engineering designs or incomplete designs when contracts are signed.

*[see the relevant Note to the Financial Statements for further details]*

*Litigation Developments*

a. In the pending court case against construction company "Technical Union", and regarding the arbitration decision #21/2005 which ordered Technical Union to pay to the Company €16.3 million plus interest, for a deficit in its shareholder funds which was absorbed by the Company, there are pending acts of the executive process with auctions or confiscation of assets owned by the family of the former shareholders of Technical Union for collection of the claim. Following the death of the owner of Technical Union, the progress of the execution of the court order is paused until the identity of his heirs is revealed. The claim amounts to €1.82 million following its impairment as per IAS 37.

b. The appraisal ordered towards the Company's lawsuit against PPC for a project in Atherinolakkos, Crete was set the claimed amount at €6,031,637 on 17.09.2020. This petition was accepted in favour of the Company for an amount of €4,757,158 plus interest, which are calculated from December 2009 onwards and amounted to around €6 million until 14.06.2023. PPC filed an appeal which was tried on 18.01.2024 and the relevant ruling is pending.

c. The 31.12.2023 balance sheet item for Receivables from Clients includes an amount of €14,788,000 claimed from the Government of Lebanon, which was been impaired over time. Following the conclusion of the court hearing process, which according to the Company's legal councel was positive for our interests, a ruling is expected to be published in 2024. As regards the degree of recovery of the claim, following the ruling of the International Centre for Settlement of Investment Disputes (ICSID) and the bankruptcy announcement by the Government of Lebanon on 04.04.2022, the Company has endorsed the opinion of its legal councel, according to which:

1. The ICSID operates under the auspice of the World Bank

2. Arbitration is governed by the 1965 Washington Treaty on Settlement of Investment Disputes between sovereign states and subjects of other states, and its rulings are final and binding for the parties involved which have to comply with it. Should any state not comply with and refuse to pay the compensation awarded by the ruling, is in breach of international obligations imposed by international treaties and therefore is internationally liable.

3. Arbitration rulings issued as final and binding, as per the Washington Treaty, cannot be appealed except by a annulment petition before the ICSID, regardless of the location of the arbitration procedure.

4. In the event that the Government of Lebanon does not comply with such a ruling, the Company is entitled to take measures to execute the order in a total of 158 country members of the Washington Treaty, and not limited to Lebanon and Greece, where both countries are Treaty members.

Therefore, the Company re-affirms the provisioned amount for recovering the claim, impaired over time, given that the announcement of Lebanon's bankruptcy does not give rise to any need for further impairment.

*[see the relevant Note to the Financial Statements for further details]*

*<u>Appointment of Market maker for Company shares</u>*

The Company signed with Optima Bank a one-year market-making agreement starting on 04.09.2023, to improve the liquidity of its shares.

**43. Important Developments & Events post Balance Sheet Date (31.12.2023) and up to the date of approval of this Report**

*Issue of 4,000,000 new shares and bonus distribution*

Following a decision by shareholders at the Annual General Meeting on 24.06.2021, the Company in December 2023 issued 4,000,000 new common registered shares with a par value of €0.30 each, capitalising an amount of €1,200,000 of the share premium reserve, which was approved by decision #3176854/14.12.2023 of the Development Ministry. The new shares were distributed as a bonus to a total of 52 senior managers, other staff members and business associates, as per article 114 of Law 4548/2018, and were listed on the Athens Stock Exchange in January 2024. Out of the total of 4,000,000 new shares distributed to 52 individuals, the Company's five executive Board members were allocated an aggregate amount of 1,150,000 shares.

*New Projects*

The Company was officially declared provisional winner at the auction which took place in December 2023 for the road section Ioannina-Kakavia, worth €234 million for the main project with a €76 million option for additional works.

*Sale of Volterra SA*

The European Competition Commission approved, as per the EU's Merger Regulation, the transfer of 100% subsidiary Volterra SA to Mytilineos Group. The relevant PPA was signed in August 2023.

*Salonica Flyover PPP*

Construction works towards the PPP-based Salonica Flyover were halted temporarily due to petitions filed on environmental grounds

*International Arbitration for claim against the Government of Lebanon*

The International Center for Settlement of Investment Disputes (ICSID), to which the Company has appealed since 2016 regarding a €370.6 million compensation claim from the Government of Lebanon for the signed contract for the construction of the Deir Aamar thermal power plant (Phase II), near Tripoli in Lebanon, announced on 11.04.2024 the conclusion of the arbitration process, the final ruling pending to be announced. In the financial data of the Group, the assessment of recoverability by the Management was initially limited only to the invoiced part of the claim, ie €51.8 million, and has been gradually reduced to €14.8 million on 31.12.2023.

## 44. Contingent Receivables and Liabilities

(a) There are pending legal cases against the Group for industrial accidents that occurred during the execution of construction projects by companies or joint ventures in which the Group participates. Due to the fact that the Group is insured against work accidents, it is not expected that a significant burden will arise from a possible negative outcome of court decisions,also taking into consideration the formed provisions. Other disputed or arbitrated disputes, as well as the pending decisions of the judicial or arbitral bodies, are not expected to have a significant impact on the financial situation or operation of the Group or the Company. The Group, in order to cover potential damage from pending court cases or disputes under arbitration, has recognized on 31.12.2023 provisions of a total amount of € 7,711 thousand, of which € 6,215 thousand pertains to previous years and € 1,496 thousand pertains to current year.

(b) For audited and unaudited fiscal years there is a relevant note.

(c) The Group has contingent liabilities in relation to banks, other guarantees and other matters arising in the context of its normal activity which are not expected to result in material charges.

## 45. Approval of Financial Statements

The above Annual Financial Statements both for the Group and the Parent Company for fiscal year 2023, have been approved by the Board of Directors on April 24th, 2024.

| Chairman & Executive Director | Deputy Chairman & Executive Director | Managing Director | Group CFO | Chief Accountant |
|---|---|---|---|---|
| CHRISTOS JOANNOU | KONSTANTINOS KOUVARAS | KONSTANTINOS MITZALIS | ATHENA ELIADES | GEORGE GIANNOPOULOS |
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