

# HELLENIC PETROLEUM R.S.S.O.P.P. S.A.

Financial Statements  
in accordance with IFRS as endorsed  
by the European Union  
for the year ended  
31 December 2023



## Index to the financial statements

<b>Company Information</b> .....	<b>4</b>
<b>Authorised Signatories</b> .....	<b>4</b>
<b>Independent Auditors' Report</b> .....	<b>5</b>
<b>Statement of Financial Position</b> .....	<b>8</b>
<b>Statement of Comprehensive Income</b> .....	<b>9</b>
<b>Statement of Changes in Equity</b> .....	<b>10</b>
<b>Statement of Cash flows</b> .....	<b>11</b>
<b>Notes to the financial statements</b> .....	<b>12</b>
<b>1 General information</b> .....	<b>12</b>
<b>2 Summary of material accounting policies</b> .....	<b>12</b>
2.1 Basis of preparation .....	12
2.2 Investments in subsidiaries, associates and joint ventures .....	15
2.3 Segment reporting.....	15
2.4 Foreign currency translation .....	15
2.5 Property, plant and equipment .....	16
2.6 Leases .....	17
2.7 Intangible assets.....	19
2.8 Impairment of non-financial assets.....	20
2.9 Financial assets .....	20
2.10 Derivative financial instruments and hedging activities .....	22
2.11 Government grants.....	23
2.12 Inventories .....	24
2.13 Trade receivables.....	24
2.14 Cash and cash equivalents .....	24
2.15 Share capital and share premium .....	24
2.16 Borrowings .....	25
2.17 Current and deferred income tax.....	25
2.18 Employee benefits .....	26
2.19 Trade and other payables .....	28
2.20 Provisions .....	28
2.21 Environmental liabilities.....	28
2.22 Revenue recognition .....	29
2.23 Dividend distribution .....	30
2.24 Financial guarantee contracts.....	30
2.25 Changes in accounting policies.....	30
2.26 Comparative figures.....	30
<b>3 Financial risk management</b> .....	<b>31</b>
3.1 Financial risk factors.....	31
3.2 Capital risk management .....	34

3.3	Fair value estimation.....	35
<b>4</b>	<b>Critical accounting estimates and judgements .....</b>	<b>37</b>
<b>5</b>	<b>Segment information.....</b>	<b>40</b>
<b>6</b>	<b>Property, plant and equipment .....</b>	<b>43</b>
<b>7</b>	<b>Right-of-use assets.....</b>	<b>45</b>
<b>8</b>	<b>Intangible assets .....</b>	<b>46</b>
<b>9</b>	<b>Investment in subsidiaries, associates and joint ventures .....</b>	<b>47</b>
<b>10</b>	<b>Loans, advances &amp; long-term assets .....</b>	<b>48</b>
<b>11</b>	<b>Inventories .....</b>	<b>48</b>
<b>12</b>	<b>Trade and other receivables .....</b>	<b>49</b>
<b>13</b>	<b>Cash and cash equivalents.....</b>	<b>51</b>
<b>14</b>	<b>Share capital and share premium .....</b>	<b>51</b>
<b>15</b>	<b>Reserves.....</b>	<b>52</b>
<b>16</b>	<b>Trade and other payables .....</b>	<b>53</b>
<b>17</b>	<b>Interest bearing loans and borrowings.....</b>	<b>54</b>
<b>18</b>	<b>Lease liabilities .....</b>	<b>57</b>
<b>19</b>	<b>Deferred income tax .....</b>	<b>58</b>
<b>20</b>	<b>Retirement benefit obligations .....</b>	<b>59</b>
<b>21</b>	<b>Provisions.....</b>	<b>62</b>
<b>22</b>	<b>Other non-current liabilities .....</b>	<b>62</b>
<b>23</b>	<b>Derivative financial instruments.....</b>	<b>63</b>
<b>24</b>	<b>Expenses by nature .....</b>	<b>64</b>
<b>25</b>	<b>Other operating income / (expenses) and other gains / (losses).....</b>	<b>65</b>
<b>26</b>	<b>Finance income / (expense).....</b>	<b>66</b>
<b>27</b>	<b>Currency exchange gains / (losses).....</b>	<b>66</b>
<b>28</b>	<b>Income tax.....</b>	<b>66</b>
<b>29</b>	<b>Dividends.....</b>	<b>68</b>
<b>30</b>	<b>Cash generated from / (used in) operations .....</b>	<b>69</b>
<b>31</b>	<b>Contingencies and litigation .....</b>	<b>69</b>
<b>32</b>	<b>Commitments .....</b>	<b>72</b>
<b>33</b>	<b>Related party transactions.....</b>	<b>73</b>
<b>34</b>	<b>Events after the end of the reporting period.....</b>	<b>75</b>

## Company Information

<b>Directors</b>	Ioannis Papathanasiou – Chair of the Board Andreas Shiamishis – Chief Executive Officer Konstantinos Panas – Deputy Chief Executive Officer (from 03/05/2023) Georgios Alexopoulos – Member Theodoros–Achilleas Vardas – Member Georgios Dimogiorgas – Member Alexandros Tzadimas – Member (from 20/02/2024) Nikolaos Vrettos – Member Alexandros Metaxas –Member Alkiviades-Konstantinos Psarras – Member Marios Kariofillis – Member Spyridon Ntelezos – Member
------------------	--

<b>Auditors:</b>	ERNST & YOUNG (HELLAS) Certified Auditors – Accountants S.A. 8B Chimarras Str 151 25 Maroussi Greece
------------------	--

## Authorised Signatories

The financial statements for the year ended 31 December 2023 from page 1 to page 75 are presented in €'000, unless otherwise stated, and have been approved by the Board of Directors of Hellenic Petroleum R.S.S.O.P.P. S.A. on 21 March 2024.

Ioannis Papathanasiou	Andreas Shiamishis	Stefanos Papadimitriou
Chairman of the Board	Chief Executive Officer	Finance Manager



**Building a better  
working world**

ERNST & YOUNG (HELLAS)  
Certified Auditors-Accountants S.A.  
8B Chimarras str., Maroussi  
151 25 Athens, Greece

Tel: +30 210 2886 000  
Fax: +30 210 2886 905  
ey.com

## **Independent Auditors' Report**

**THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK**

**To the shareholders of Hellenic Petroleum Single Member Societe Anonyme Refining, Supply and Sales of Oil Products and Petrochemicals**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Hellenic Petroleum Single Member Societe Anonyme Refining, Supply and Sales of Oil Products and Petrochemicals (the Company), which comprise the statement of financial position as of December 31, 2023, the statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly in all material respects the financial position of Hellenic Petroleum Single Member of Societe Anonyme Refining, Supply and Sales of Oil Products and Petrochemicals as at December 31, 2023 and its financial performance and 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 International Standards on Auditing (ISAs), as incorporated in Greek Law. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other information**

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

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



In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 ability to continue as a



# EY

**Building a better  
working world**

going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

### **Report on Other Legal and Regulatory Requirements**

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

- a) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018 and the content of the Board of Directors' Report is consistent with the accompanying financial statements for the year ended December 31, 2023.
- b) Based on the knowledge and understanding concerning Hellenic Petroleum Single Member Societe Anonyme Refining, Supply and Sales of Oil Products and Petrochemicals and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement.

Athens, 21 March 2024  
The Certified Auditor Accountant

Andreas Hadjidamianou  
SOEL R.N. 61391

Ernst & Young (Hellas) Certified Auditors Accountants S.A.  
8B Chimarras St., Maroussi  
151 25, Greece  
Company SOEL R.N. 107

Legal Name: ERNST & YOUNG (HELLAS) Certified Auditors-Accountants S.A.  
Distinctive title: ERNST & YOUNG  
Legal form: Societe Anonyme  
Registered seat: Chimarras 8B, Maroussi, 15125  
General Commercial Registry No: 000710901000

## Statement of Financial Position

		As at	
	Note	31 December 2023	31 December 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	2.683.928	2.690.268
Right-of-use assets	7	18.625	20.292
Intangible assets	8	91.210	281.714
Investments in subsidiaries and associates	9	19.028	19.028
Derivative financial instruments	23	746	-
Loans, advances and long-term assets	10	33.230	35.522
		<b>2.846.767</b>	<b>3.046.824</b>
<b>Current assets</b>			
Inventories	11	1.308.167	1.638.752
Trade and other receivables	12	703.394	697.478
Income tax receivable	28	55.541	11.663
Derivative financial instruments	23	930	5.114
Cash and cash equivalents	13	505.872	469.184
		<b>2.573.904</b>	<b>2.822.191</b>
<b>Total assets</b>		<b>5.420.671</b>	<b>5.869.015</b>
<b>EQUITY</b>			
Share capital and share premium	14	552.673	552.673
Reserves	15	219.507	209.128
Retained Earnings		683.906	471.432
<b>Total equity</b>		<b>1.456.086</b>	<b>1.233.233</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	17	1.371.881	873.970
Lease liabilities	18	9.459	10.859
Deferred income tax liabilities	19	147.615	172.748
Retirement benefit obligations	20	148.505	138.173
Provisions	21	25.276	24.827
Other non-current liabilities	22	5.247	5.762
		<b>1.707.983</b>	<b>1.226.339</b>
<b>Current liabilities</b>			
Trade and other payables	16	1.376.051	1.626.543
Derivative financial instruments	23	13.333	1.761
Income tax payable	28	275.718	421.266
Interest bearing loans and borrowings	17	584.475	1.352.561
Lease liabilities	18	7.025	7.312
		<b>2.256.602</b>	<b>3.409.443</b>
<b>Total liabilities</b>		<b>3.964.585</b>	<b>4.635.782</b>
<b>Total equity and liabilities</b>		<b>5.420.671</b>	<b>5.869.015</b>

The Notes on pages 12 to 75 are an integral part of these financial statements.



## Statement of Comprehensive Income

	Note	For the year ended	
		31 December 2023	31 December 2022
<b>Revenue from contracts with customers</b>	<b>5</b>	<b>11.744.287</b>	<b>13.467.343</b>
Cost of sales	24	(10.774.853)	(11.912.875)
<b>Gross profit/(loss)</b>		<b>969.434</b>	<b>1.554.468</b>
Selling and distribution expenses	24	(159.422)	(143.570)
Administrative expenses	24	(97.840)	(90.032)
Other operating income and other gains	25	49.026	12.847
Other operating expense and other losses	25	(39.426)	(26.027)
<b>Operating profit/(loss)</b>		<b>721.772</b>	<b>1.307.686</b>
Finance income	26	7.748	2.912
Finance expense	26	(113.109)	(91.948)
Lease finance cost	18,26	(605)	(470)
Dividend income		2.812	3.023
Currency exchange gains/(losses)	27	(4.342)	1.366
<b>Profit/(Loss) before income tax</b>		<b>614.276</b>	<b>1.222.569</b>
Income tax	28	(112.867)	(515.426)
<b>Profit/(Loss) for the year</b>		<b>501.409</b>	<b>707.143</b>
<b>Other comprehensive income/(loss):</b>			
<b>Other comprehensive income/(loss), that will not be reclassified to profit or loss (net of tax):</b>			
Actuarial gains/(losses) on defined benefit pension plans	15	(5.532)	23.231
		<b>(5.532)</b>	<b>23.231</b>
<b>Other comprehensive income/(loss), that may be reclassified subsequently to profit or loss (net of tax):</b>			
Fair value gains/(losses) on cash flow hedges	15	7.806	4.315
Recycling of (gains)/losses on hedges through comprehensive income	15	(16.965)	(4.941)
<b>Other Comprehensive income/(loss) for the year, net of tax</b>		<b>(14.691)</b>	<b>22.605</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>486.718</b>	<b>729.748</b>

The Notes on pages 12 to 75 are an integral part of these financial statements.

## Statement of Changes in Equity

	Note	Share Capital & Share Premium	Reserves	Retained Earnings	Total Equity
<b>Balance at 3 January 2022</b>		<b>1.301.000</b>	<b>(598.696)</b>	<b>-</b>	<b>702.304</b>
Fair value gains/(losses) on cash flow hedges	15	-	4.315	-	4.315
Recycling of gains/(losses) on hedges through comprehensive income	15	-	(4.941)	-	(4.941)
<b>Other comprehensive income/(loss)</b>		<b>-</b>	<b>22.605</b>	<b>-</b>	<b>22.605</b>
Profit/(Loss) for the year		-	-	707.143	707.143
<b>Total comprehensive income/(loss) for the year</b>		<b>-</b>	<b>22.605</b>	<b>707.143</b>	<b>729.748</b>
Dividends	29	-	-	(200.354)	(200.354)
HELLENiQ Energy profits distributed to Company's employees	15	1.535	-	-	1.535
Transfer to statutory reserve	15	-	35.357	(35.357)	-
Offset demerger reserve with share capital	15	(749.862)	749.862	-	-
<b>Balance at 31 December 2022</b>		<b>552.673</b>	<b>209.128</b>	<b>471.432</b>	<b>1.233.233</b>
<b>Balance at 1 January 2023</b>		<b>552.673</b>	<b>209.128</b>	<b>471.432</b>	<b>1.233.233</b>
Actuarial gains/(losses) on defined benefit pension plans	15	-	(5.532)	-	(5.532)
Fair value gains/(losses) on cash flow hedges	15	-	7.806	-	7.806
Recycling of (gains)/losses on hedges through comprehensive income	15	-	(16.965)	-	(16.965)
<b>Other comprehensive income/(loss)</b>		<b>-</b>	<b>(14.691)</b>	<b>-</b>	<b>(14.691)</b>
Profit/(Loss) for the year		-	-	501.409	501.409
<b>Total comprehensive income/(loss) for the year</b>		<b>-</b>	<b>(14.691)</b>	<b>501.409</b>	<b>486.718</b>
Dividends	29	-	-	(262.602)	(262.602)
Company profits distributed to HELLENiQ Energy employees		-	-	(1.263)	(1.263)
Transfer to statutory reserve	15	-	25.070	(25.070)	-
<b>Balance at 31 December 2023</b>		<b>552.673</b>	<b>219.507</b>	<b>683.906</b>	<b>1.456.086</b>

The Notes on pages 12 to 75 are an integral part of these financial statements.

## Statement of Cash flows

	Note	For the year ended	
		31 December 2023	31 December 2022
<b>Cash flows from operating activities</b>			
Cash generated from / (used in) operations	30	1.199.716	510.612
Income tax (paid) / received		(321.919)	3.076
<b>Net cash generated from / (used in) operating activities</b>		<b>877.797</b>	<b>513.688</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment & intangible assets	6,8	(181.976)	(195.975)
Dividends received		2.812	3.023
Interest received	26	7.748	2.912
Participation in share capital increase of subsidiaries and joint ventures	9	(8.548)	2.235
<b>Net cash generated from / (used in) investing activities</b>		<b>(179.964)</b>	<b>(187.805)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(109.254)	(86.596)
Dividends paid	29	(263.865)	(200.354)
Share capital increase through payment of dividends from parent company to employees	14	-	1.535
Proceeds from borrowings		1.773.730	1.069.000
Repayments of borrowings		(2.048.936)	(1.347.503)
Payment of lease liabilities - principal	18	(7.873)	(7.169)
Payment of lease liabilities - interest	18	(605)	(470)
<b>Net cash generated from / (used in) financing activities</b>		<b>(656.803)</b>	<b>(571.557)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>41.030</b>	<b>(245.674)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	2,13	<b>469.184</b>	<b>713.493</b>
Exchange (losses)/gains on cash and cash equivalents		(4.342)	1.366
Net increase / (decrease) in cash and cash equivalents		41.030	(245.674)
<b>Cash and cash equivalents at the end of the year</b>	13	<b>505.872</b>	<b>469.184</b>

The Notes on pages 12 to 75 are an integral part of these financial statements.

## Notes to the financial statements

### 1 General information

HELLENIC PETROLEUM R.S.S.O.P.P. S.A. (the “Company”) operates in the energy sector in Greece and its activities include refining and marketing of oil products and production and marketing of petrochemical products. The Company was established on 3 January 2022, after the demerger by way of hive-down of the refining, supply and trading of oil products and petrochemicals sector of former HELLENIC PETROLEUM S.A. (presently HELLENiQ ENERGY Holdings S.A.), as detailed in the Company’s annual financial statements of its 1<sup>st</sup> fiscal year 3 January to 31 December 2022.

The Company is incorporated in Greece, with an indefinite corporate life and the address of its registered office is 8<sup>A</sup> Chimarras Str. Maroussi, 15125 Greece. The Company is a wholly owned subsidiary of HELLENiQ ENERGY Holdings S.A., listed on the Main Market of the Athens Stock Exchange and the London Stock Exchange through Global Depositary Receipts (GDRs). Based on IFRS 10 par.4 and Law 4308/2014 article 33, the Company is not required to publish consolidated financial statements as the Company and all its subsidiaries and associates are consolidated in the financial statements of the parent company HELLENiQ ENERGY Holdings SA. (Head office Maroussi Attica, Chimarras 8A, CRN 296601000)

The financial statements of HELLENIC PETROLEUM R.S.S.O.P.P. S.A. for the year ended 31 December 2023 were authorised for issue by the Board of Directors on 21 March 2024.

### 2 Summary of material accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated

#### 2.1 Basis of preparation

The financial statements of Hellenic Petroleum R.S.S.O.P.P. S.A. for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (“IASB”), as endorsed by the European Union (“EU”) and present the financial position, results of operations and cash flows on a going concern basis.

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

The Company’s business activities, together with factors which the Directors consider are likely to affect its development, financial performance and financial position are set out in the Director’s report. The most significant financial and operational risks and uncertainties that may have an impact upon the Company’s performance and their mitigation are outlined in Note 3, including liquidity risk, market risk, credit risk and capital risk to these financial statements.

The future financial performance of the Company is dependent upon the wider economic environment in which it operates. The factors that particularly affect the environment and therefore the performance of the Company include macroeconomic conditions and supply and demand for crude oil and oil products that affect their pricing and consequently benchmark refining margins which is a key determinant of profitability.

Furthermore, profitability can be affected by natural gas and electricity pricing, which together with the cost of acquiring CO2 certificates in compliance with the European Union Emissions Trading System (EU ETS), will affect variable operating expenditure. In the medium to long term, Energy transition is further expected to affect key profitability and operating expenditure factors.

In general, factors that adversely affect the demand for oil products such as negative macroeconomic conditions, supply and demand for crude oil that result in price increases or increase in the cost elements of refining oil products such as cost of natural gas, electricity and costs from EU ETS, have a negative impact on the Company's profitability. Conversely, ample supply of crude oil and/ or a higher demand for oil products would lead to higher benchmark margins and profitability.

In 2023, demand for oil products continued to grow in line with the post pandemic global economic recovery supporting higher benchmark margins. At the same time, the cost of electricity and Natural Gas declined compared to the irregularly high prices that it reached in 2022, substantially reverting to pre-energy crisis levels.

At 31 December 2023, the Company held cash of €506 million and has a positive operating working capital position. Its total loans and borrowings amount to €1.956 million, of which €1.345 million relate to committed term facilities, €458 million to intercompany loans and €154 million to uncommitted short-term revolving facilities on demand. Of its total borrowings, an amount of €200 million of committed short-term revolving facilities, €231 of intercompany loans and €154 of uncommitted short-term facilities fall due within the next 12 months from the balance sheet date. Details of these balances and their maturities are presented in note 17.

The Company's financial forecasts were modelled over an 18-month period, ending 30 June 2025 and reflect the outcomes that the Directors consider most likely, based on the information available at the date of signing of these financial statements. This includes the expectation of demand evolution and benchmark refining margins and associated costs applicable to the Company. The Company's financial forecasts have been prepared with consideration to independent third-party data, which inter-alia include forecasted international commodity prices used in the calculation of benchmark refining margins, demand evolution and operating costs.

In February 2024, the Company proceeded with the extension of a facility of €200 million, initially maturing in February 2024, for one year (note 17).

Should additional funding be required, the Company can draw from committed term facilities limits €545 million without further approvals as well as from uncommitted facilities €474 million, subject to approvals from the respective financial institutions.

In the 18-month period assessed and considering successful refinancing of maturing debt obligations, the Company expects to generate sufficient cash from operations to meet all its operating liabilities as they fall due and planned investments. Management has exercised judgement and concluded that, at the time of approving the financial statements the expectation is that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements.

The financial statements have been prepared in accordance with the historical cost basis, except for the following:

- Financial instruments – some of which are measured at fair value (notes 3.3 and 23);
- Defined benefit pension plans – plan assets measured at fair value;

The preparation of financial statements, in accordance with IFRS, requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the

Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events as assessed to be reasonable under the present circumstances.

#### **2.1.1 New standards, amendments to standards and interpretations**

##### ***New and amended standards adopted by the Company***

The accounting principles and calculations used in the preparation of the financial statements are consistent with those applied in the preparation of the financial statements for the year ended 31 December 2022 and have been consistently applied in all periods presented in this report except for the following IFRS amendments, which have been adopted by the Company as of 1 January 2023. Amendments and interpretations that were applied for the first time in 2023 did not have a significant impact on the financial statements for the year ended 31 December 2023, unless stated otherwise. These are also disclosed below.

- *IAS 1 Presentation of Financial Statements and IFRS Practice Statements 2: Disclosure of Accounting policies (Amendments):* The Amendments are effective for annual periods beginning on or after 1 January, 2023. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose "significant" accounting policies with a requirement to disclose "material" accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The Company has assessed and amended its accounting policies disclosure in accordance with the IAS 1 guidance.
- *IAS 12 Income Taxes Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments):* The amendments are effective for annual periods beginning on or after January 1, 2023. The amendments narrow the scope of and provide further clarity on the initial recognition exception under IAS 12 and specify how companies should account for deferred tax related to assets and liabilities arising from a single transaction, such as leases and decommissioning obligations. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement, having considered the applicable tax law, whether such deductions are attributable for tax purposes to the liability or to the related asset component. Under the amendments, the initial recognition exception does not apply to transactions, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.
- *IAS 12 Income Taxes International Tax Reform - Pillar Two Model Rules (Amendments):* The amendments are effective immediately upon issuance, but certain disclosure requirements are effective later. The Organisation for Economic Co-operation and Development's (OECD) published the Pillar Two model rules in December 2021 to ensure that large multinational companies would be subject to a minimum 15% tax rate. On 23 May 2023, the IASB issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS12. The amendments introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities on the potential exposure to Pillar Two income taxes. The Amendments require, for periods in which Pillar Two legislation is (substantively) enacted but not yet effective, disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period. The disclosure of the current tax expense related to Pillar Two income taxes and the

disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023, but are not required for any interim period ending on or before 31 December 2023. The standard has no impact on the Company's operation.

***Standards issued but not yet effective and not early adopted***

The Company has not early adopted any of the following standard, interpretation or amendment that have been issued but are not yet effective. In addition, the Company is in the process of assessing the impact of all standards, interpretations and amendments issued but not yet effective on the financial statements.

- *IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)*: The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period. The standard has been endorsed by the EU.

## **2.2 Investments in subsidiaries, associates and joint ventures**

Investments are presented at the cost of the interest acquired in the subsidiaries, associates, and joint ventures less any provisions for impairment.

## **2.3 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The executive committee is the chief operating decision-maker, who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. The executive committee is comprised of the Chief Executive Officer, the Deputy Chief Executive Officer, General and other senior Managers of the Company. The Company's key operating segments are disclosed in Note 5.

## **2.4 Foreign currency translation**

### *(a) Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Euro, which is the Company's functional and presentation currency. Given that the Company's primary activities are in oil refining and trading, in line with industry practices, most crude oil and oil product trading transactions are based on the international reference prices of crude oil and oil products in US Dollars. The Company translates this value to Euro at the time of any transaction.

*(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the statement of comprehensive income. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges.

For transactions that include the receipt or payment of advance consideration in a foreign currency the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability.

Foreign exchange gains and losses are presented in the same line as the transaction they relate to, in the statement of comprehensive income, except those that relate to borrowings and cash, which are presented in a separate line ("Currency exchange gains/(losses)").

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

## **2.5 Property, plant and equipment**

Property, plant and equipment is comprised mainly of land, buildings, plant & machinery, transportation means and furniture & fixtures. Property, plant and equipment are shown at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the profit or loss of the statement of comprehensive income as incurred. Refinery turnaround costs that take place periodically are capitalised and charged to profit or loss on a straight line basis until the next scheduled turnaround, to the extent that such costs either extend the useful economic life of the equipment or improve its production capacity.

Assets under construction are assets (mainly related to the refinery units) that are in the process of construction or development, and are carried at cost. Cost includes cost of construction, professional fees and other direct costs. Assets under construction are not depreciated, as the corresponding assets are not yet available for use.

Land is also not depreciated. Depreciation on assets is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful economic life, as shown on the table below for the main classes of assets:

– Buildings	10 – 40 years
– Plant & Machinery	
▪ Specialised industrial installations and Machinery	10 – 35 years
▪ Pipelines	30 – 50 years
▪ Other equipment	4 – 25 years
– Vehicles and means of transportation	4 – 25 years



– Furniture and fixtures

- |                                |              |
|--------------------------------|--------------|
| ▪ Computer hardware            | 3 – 5 years  |
| ▪ Other furniture and fixtures | 4 – 10 years |

Specialised industrial installations include refinery units, petrochemical plants and tank facilities.

The assets' residual values and estimated useful economic lives are reviewed at the end of each reporting period and adjusted prospectively if appropriate.

If the asset's carrying amount is greater than its estimated recoverable amount then it is written down immediately to its recoverable amount (Note 2.8).

The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement and any gain or loss, which is determined by comparing the proceeds with the carrying amount, is included in the statement of comprehensive income, within "other operating income and other gains" or "other operating expenses and other losses".

Estimated restoration costs, for which disbursements are determined to be probable, are recognised as a provision in long-term liabilities and as part of the respective fixed asset cost in the statement of financial position.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are added to the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use. Borrowing costs are capitalised to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. All other borrowing costs are expensed as incurred.

## **2.6 Leases**

### **2.6.1 Right-of-use assets**

At inception of a contract, that is the earlier of the date of a lease agreement and the date of commitment by the parties to the principal terms and conditions of the lease, the Company assess whether the contract is, or contains, a lease. Also, the Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment on their own, or together with the cash generating unit to which they belong.

### **2.6.2 Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index

or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The result of this re-measurement is disclosed in a line of the right-of-use assets as modifications.

(a) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the low-value assets recognition exemption to leases that are considered of low value (i.e., below five thousand Euros). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

(b) Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional terms. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (as a change in business strategy).

The IFRS Interpretations Committee (the "Committee") has issued, among others, a summary of decisions reached in its public meetings to clarify interpretations in respect to IFRS 16 on the following topics:

- Subsurface rights

The Committee concluded that the arrangement, presented in its decision, where a pipeline operator obtains the right to place a pipeline in an underground space constitutes a lease and therefore this arrangement as presented in this decision should be in scope of IFRS 16. As disclosed in Note 7, the Company operates a number of subsurface pipelines within the boundaries of various municipalities, in accordance with relevant laws, without the requirement to pay any compensation for them. As described in Note 31 of these financial statements, certain municipalities have proceeded with the imposition of duties and fines relating to the rights of way. The Company has appealed against such amounts imposed as described in the note and believes the outcome will be favorable. The Company considers these do not fall within the scope of IFRS 16 as there is no requirement to pay compensation.

- Lease term

The Committee issued a decision that in assessing the notion of no more than an insignificant penalty, when establishing the lease term, the analysis should not only capture the termination penalty payment specified in the contract, but use a broader economic consideration of penalty and thus include all kinds of possible economic outflows related to termination of the contract. The Company applies this decision and uses judgment in estimating the lease term, especially in cases, where the agreements do not provide for a predetermined term, such as rights of use of coastal zones as described in Note 7. The Company considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

(c) Lessor accounting

The Company enters into certain sublease agreements with third parties and therefore, acts as an intermediate lessor. In classifying a sublease, the Company acting as the intermediate lessor shall classify the sublease as a finance lease or an operating lease as follows:

- if the head lease is a short-term lease that the Company, as a lessee, has accounted for applying paragraph 6 of the standard, the sublease shall be classified as an operating lease.
- otherwise, the sublease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

The Company has assessed all subleases it enters into based on the above criteria and classifies these as either operating or finance. As at 31 December 2023, all leases where the Company acts as an intermediate lessor were assessed and evaluated as operating.

## **2.7 Intangible assets**

*(a) Licences and rights*

Licenses and rights have a definite useful life and are carried at cost less accumulated amortisation. Amortisation is being calculated using the straight-line method to allocate their cost over their estimated useful lives, which usually range from 3 to 25 years.

*(b) Computer software*

The category computer software includes primarily the costs of implementing the (ERP) computer software program. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over their estimated useful lives (1 to 5 years).

*(c) EU ETS Allowances*

European Union operates a 'cap and trade' scheme, EU Emissions Trading System ("EU ETS"), whereby the Company is required to deliver emissions certificates to the relevant regulator to meet its CO<sub>2</sub> emissions obligation. The government grants a certain number of emissions certificates ("EU Allowances" or "EUAs"), to the Company for use during a compliance period, at zero cost. Further, there is an active market where the Company can trade EUAs with other parties and ensure that it has sufficient certificates to match its emissions. The Company has determined that emissions allowances are identifiable non-monetary assets that do not have physical substance and therefore meet the definition of an intangible asset recognised at cost. Cost is determined using the FIFO method. This accounting policy choice is applied regardless of whether emissions

allowances are purchased from the market or received from the government as a free allowance. Management might choose to sell EU Allowances because of a surplus to its expected usage requirements, or because of the timing of the obligation of surrendering the estimated quantity. The income from the sale of these allowances in the case of surplus with no intention to buy them back is not recognized as revenue because it does not arise by the Company's ordinary course of activities and is reported within other operating income. The accounting policy on provision for environmental liabilities is stated in Note 2.21.

## **2.8 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether an indication of impairment exists. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Assets that have an indefinite useful life are not subject to amortisation and, are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to amortisation or depreciation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (discounted cash flows an asset is expected to generate based upon management's expectations of future economic and operating conditions). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's, or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

## **2.9 Financial assets**

### **2.9.1 Initial recognition and measurement**

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section 2.22 "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within (a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at fair value through profit or loss
- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

#### *(a) Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives are also categorised as 'held for trading' unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the end of the reporting period, otherwise they are classified as non-current. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

#### *(b) Financial assets at amortized cost*

The Company measures financial assets at amortised cost if both of the following conditions are met: a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### *(c) Financial assets at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)*

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the profit or loss of the statement of comprehensive income, when the right of

payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its listed equity investments under this category.

### **2.9.2 Derecognition and impairment**

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### Impairment

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant estimates and assumptions (Note 4)
- Trade receivables (Note 12)

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### **2.9.3 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **2.10 Derivative financial instruments and hedging activities**

As part of its risk management policy, the Company utilises currency and commodity derivatives to mitigate the impact of volatility in commodity prices and foreign exchange rates. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at

their fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in fair values of the derivative financial instruments are recognised at each reporting date either in the statement of comprehensive income or in other comprehensive income, depending on whether the derivative is designated as a hedging instrument. If so, the nature of the item being hedged is also disclosed. The Company designates certain derivatives as either:

- (a) Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge) and
- (b) Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

The Company 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.

The documentation also includes both at hedge inception and on an ongoing basis how it will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. The instruments used for this risk management include commodity exchange traded contracts (ICE futures), full refinery margin forwards, product price forward contracts or options.

#### *Cash flow hedges*

The effective portion of changes in the fair value of these derivatives is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income within "Other operating income/ (expenses) and other gains/ (losses)". Amounts accumulated in equity are recycled in the statement of comprehensive income in the periods when the hedged item affects profit or loss (i.e. when the forecast transaction being hedged takes place) within cost of sales.

When a hedging instrument expires or is sold, or a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of comprehensive income. When a forecast transaction is no longer expected to occur, the derivative is de-designated and the cumulative gain or loss that was reported in equity is immediately transferred to the statement of comprehensive income, in a line item depending on the nature of the hedge.

#### *Derivatives at fair value through profit or loss*

Derivatives that do not qualify for hedge accounting are classified as derivatives at fair value through profit or loss. Changes in the fair value of the derivative instruments that do not qualify for hedge accounting are recognised immediately in the statement of comprehensive income.

## **2.11 Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants related to Property, Plant and Equipment received by the Company are initially recorded as deferred government grants and included in

“Other non-current liabilities”. Subsequently, they are credited to the statement of comprehensive income over the useful lives of the related assets in direct relationship to the depreciation charged on such assets.

## **2.12 Inventories**

Inventories comprise crude oil and other raw materials, refined and semi-finished products, petrochemicals, merchandise, consumables and other spare parts.

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the monthly weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. It does not include borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale, where applicable. Spare parts consumed within a year are carried as inventory and recognised in cost of sales, in the statement of comprehensive income when consumed.

## **2.13 Trade receivables**

Trade receivables, which generally have 5-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

For trade receivables, which are not in default the Company applies the simplified approach, in accordance with IFRS 9 and calculates ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. On the other hand, trade receivables in default are assessed on a case-by-case basis. The amount of the provision is recognised in the statement of comprehensive income and is included in “Selling and distribution expenses”.

## **2.14 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments such as marketable securities and time deposits with original maturities of three months or less.

Cash pledged as collateral is included in “Trade and other receivables”.

## **2.15 Share capital and share premium**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Share premium includes any proceeds received for the issuance of shares above their nominal value.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised to profit or loss of the statement of comprehensive income on the purchase, sale, issue or cancellation of the Company’s own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in equity.



## **2.16 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income as finance costs or other operating income.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

In cases where an existing borrowing of the Company is renegotiated, this might result in modification or an exchange of borrowings with the lenders that could be carried out in a number of ways. Whether a modification or exchange of borrowings represents a settlement of the original debt, or merely a renegotiation of that debt, determines the accounting treatment that should be applied by the borrower. When the terms of the existing borrowings are substantially different from the terms of the modified or exchanged borrowings, such a modification or exchange is treated as an extinguishment of the original borrowing and the recognition of a new liability; any difference in the respective carrying amount is recognised in the statement of comprehensive income.

The Company considers the terms to be substantially different if either the discounted present value of the future cash flows under the new terms, including any costs or fees incurred, using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original borrowing or there is a substantial change in the terms from a qualitative perspective. Qualitative factors may include:

- the currency in which the borrowing is denominated;
- the interest rate (that is fixed versus floating rate);
- changes in covenants.

## **2.17 Current and deferred income tax**

The tax expense or credit for the period comprises current and deferred tax.

The income tax expense or credit for the period is the tax estimated on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, as well as additional taxes for prior years. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period that generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Any interest and penalties arising on uncertain tax positions are considered as part of income tax.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction does not affect either accounting or taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those deductible temporary differences and losses.

Deferred income tax assets are reviewed at each financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

## **2.18 Employee benefits**

### *(a) Pension obligations*

The Company has both defined benefit and defined contribution plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate State pension fund. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

### Defined benefit pension plans

Under Greek labour laws, employees and workers are entitled to post employment payments in the event of retirement with the amount of payment varying in relation to the employee's or worker's compensation and length of service. This program is considered as a defined benefit plan.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period, less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that have terms to maturity approximating to the terms of the related pension obligation.

The current service cost of the defined benefit plan, recognised in the statement of profit or loss in employee benefit expense (except where included in the cost of an asset), reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss in the statement of comprehensive income.

#### Defined contribution plans

The Company's employees are covered by one of several Greek State sponsored pension funds which relates to the private sector and provides pension and pharmaceutical benefits. Each employee is required to contribute a portion of their monthly salary to the funds, with the Company also contributing a portion. Upon retirement, the pension fund is responsible for paying the employees retirement benefits. As such, the Company has no legal or constructive obligation to pay future benefits under this plan.

#### *(b) Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

#### *(c) Share-based compensation*

Employees may receive remuneration in the form of share-based payments as part of a share option plan. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, at the date of granting. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest.

At each reporting period end, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity.

When the options are exercised, the Company may issue new shares. In that case, the proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised. The Company has no share-based compensation schemes in force for 2022 and for 2023.

*(d) Short-term paid absences*

The Company recognises the expected cost of short-term employee benefits in the form of paid absences in the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences.

## **2.19 Trade and other payables**

Trade and other payables are recognised initially at fair value and are subsequently measured at amortised cost, using the effective interest method. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

## **2.20 Provisions**

Provisions for restructuring costs and legal claims are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the increases specific to the liability.

No provisions are recognized for possible future obligations whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company or for present obligations, if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. For such cases the Company discloses a contingent liability.

## **2.21 Environmental liabilities**

The Company has an environmental policy which complies with existing legislation and any obligations resulting from its environmental and operational licences. In order to comply with all rules and regulations, the Company has set up a monitoring mechanism in accordance with the requirements of the relevant authorities. Furthermore, investment plans are adjusted to reflect any known future environmental requirements.

Liabilities for environmental remediation costs are recognised when environmental assessments or clean-ups are probable and the associated costs can be reasonably estimated. Generally, the timing of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites. The amount recognised is the best estimate of the expenditure required, based on the relevant environmental studies. If the effect of the time value of money is material, the amount recognised is the present value of the estimated future expenditure.

The obligation of the Company to meet its CO<sub>2</sub> emission targets is treated as follows: EU ETS register allocates emission rights to refineries annually. Allowances received or purchased are recognised at cost. A provision is recognised for the net obligation payable for the emission quantities that exceed the pre-allocated allowances, after taking into account any purchases of emission certifications. The provision recognised is measured at the amount that it is expected to cost the entity to settle the obligation, in addition to the cost of any certificates purchased. More specifically, the Company measures the provision as the expected cost of the shortfall in metric

tons (if any), meaning the amount of emissions exceeding the total amount of allowance and purchases, at their market price at the balance sheet date.

Purchases of CO2 emission rights during the year and assets held at reporting date are presented as intangible assets (Note 8).

## **2.22 Revenue recognition**

### *(a) Revenue from contracts with customers*

Revenue comprises the fair value of the sale of goods and services, net of value-added tax and any excise duties, rebates and discounts. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Control over goods sold and services rendered is transferred to the customer upon delivery of the respective products or service respectively. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Payment terms vary in line with the type of sales transaction and depend mainly on the products sold or services rendered, the distribution channels, as well as each customer's specifics.

The Company assesses whether it acts as a principal or agent in each of its revenue arrangements. The Company has concluded that in all sales transactions it acts as a principal.

Revenue is recognised as follows:

#### *Sales of goods – wholesale*

Revenue is recognised when a contractual promise to a customer (performance obligation) is fulfilled by transferring the promised goods (which is when the customer obtains control over the promised goods). If a contract contains more than one performance obligation, the total transaction price of the contract is allocated among the individual, separate performance obligations based on their relative standalone selling prices. The amount of revenue recognized is the amount allocated to the satisfied performance obligation based on the consideration that the Company expects to receive in accordance with the terms of the contracts with the customers.

#### *Provision of services*

For sales of services, revenue is recognised in the accounting period in which the services are rendered, as the customer obtains control over the promised services, by reference to stage of completion of each specific performance obligation and assessed on the basis of the actual service provided (using appraisals of the results achieved and milestones reached), as a proportion of the total services to be provided.

#### *Variable consideration*

If the consideration in a contract includes a variable amount, the Company recognizes this amount as revenue only to the extent that it is highly probable that a significant reversal will not occur in the future.

#### *Volume discounts*

The Company provides volume discounts to customers based on thresholds specified in the respective contracts. Options for volume related discounts are assessed by the Company to determine whether they constitute a

material right that the customer would not receive without entering into that contract. For all such options that are considered as material rights, the Company assesses the likelihood of its exercise and then the portion of the transaction price allocated to the option is deferred and recognized when it is either exercised or lapsed.

The Company has concluded that volume discounts constitute a material right which should be recognized over time up to the point it is either exercised or lapsed. All such discounts are accrued within the financial year.

*(b) Interest income*

Interest income is recognised using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

*(c) Dividend income*

Dividend income is recognised when the right to receive payment is established.

## **2.23 Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared and appropriately authorised, or approved by the Company's Shareholders' General Meeting. Interim dividends proposed by the Board of Directors are recognized as liabilities when it becomes certain they will be paid, as following their proposal by the Board, they are subject to the usual legal procedures before payment.

## **2.24 Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of the loss allowance determined in accordance with IFRS 9 requirements and the amount initially recognised less, when appropriate, the cumulative amount of income.

## **2.25 Changes in accounting policies**

The Company adopted the amendments described in paragraph 2.1.1 for the first time for the annual reporting period commencing 01 January 2023.

## **2.26 Comparative figures**

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year (Notes 16, 24, 25, 33).

### 3 Financial risk management

#### 3.1 Financial risk factors

The Company's activities are primarily centered on Downstream Refining (incl. Petrochemicals) & Trading of petroleum products. As such, the Company is exposed to a variety of financial and commodity markets' risks including foreign exchange and commodity price, credit, liquidity, cash flow and interest-rate risk. In line with international best practices and within the context of local markets and legislative framework, the Company's overall risk management policies aim at reducing possible exposure to market volatility and / or mitigating its adverse effects on the financial position of the Company to the extent possible. In general, the key factors that impact the Company's operations are summarised as follows:

*Currency:* The Company's business is naturally hedged against a functional currency risk. All petroleum industry transactions are referenced to international benchmark quotes for crude oil and oil products in USD. All international purchases and sales of crude oil and products are conducted in USD and all sales into local markets are either in USD prices or converted to local currency for accounting and settlement reasons using the USD reference on the date of the transaction. In addition, the Company's majority of operating expenses transactions are conducted in Euro. As a result, the Company's operations are mainly exposed to the risk of foreign exchange caused by fluctuating the dollar exchange rate against the euro. The strengthening of the US Dollar against the Euro has a positive effect on the Company's financial results while in the opposite event, both the financial results and balance sheet items (net position of inventory, investments, receivables, trade payables and other liabilities in US dollar) would be valued at lower levels.

*Prices:* The Company is exposed to the risk of fluctuations in prevailing market prices. Commodity price risk management is supervised by the Supply and Trading Department. Non-commodity price risk management is carried out by the Finance Department under policies approved by the Board of Directors. The Finance Department identifies and evaluates financial risks in close co-operation with Group Finance and the Company's operating units.

*Continuous crude oil supplies:* The Company procures crude oil from a number of suppliers, including national oil companies and international traders primarily in, but not limited to, the Middle East, North Africa and Black Sea region. The process of sourcing of crude oil is coordinated by the Supply and Trading department in line with production plans. Following the developments in Ukraine, and the imposition of economic sanctions against the Russian Federation, the Company has successfully substituted its crude oil and intermediary feedstock supply originating from the Russian Federation with equivalent quantities and grades from other sources since March 2022. Further, provided that the Company has only limited sourcing of crude oil through Red Sea, the recent events in the Middle East have not had to date any significant impact on the ability of the Company to source crude oil or supply refined products to its customers in the region. Nevertheless, Company's Management continuously monitors the situation and assesses the potential impact on its operation. The Company's three coastal refineries' location, the flexibility provided by the configuration and technology of each refinery provide access to a wide range of feedstock sourcing opportunities, which enables the Company to respond to supply shortages of certain crude grades without materially affecting its operations and financial performance.

*Financing of operations:* The key priorities of the Company are the management of the 'Assets and Liabilities' maturity profile, funding in accordance with its strategic investment plan and the liquidity risk management for its operational needs. The vast majority of the Company's borrowings are committed credit facilities with financial institutions and debt capital markets.

As of 31 December 2023, approximately 70% of total debt (31 December 2022: c. 72%) is financed by long-term committed credit lines, while the remaining debt is being financed by short-term revolving credit facilities

(bilateral lines) and intercompany borrowings. Additional information is disclosed in paragraph (c) Liquidity risk below and Note 17.

*Capital management:* Another key priority of the Company has been the management of its Assets. Overall the Company has approximately €2,9 billion of capital employed (31 December 2022: €3,0 billion), which is driven from investment in fixed assets and working capital. Current assets are mainly funded with current liabilities (incl. short-term bank debt) and the operating working capital position of the Company as of 31 December 2023, was positive. 50% of total capital employed is financed through net debt excluding leases (31 December 2022: 59%), while the remaining is financed through shareholders equity.

*(a) Market risk*

(i) Foreign exchange risk

As explained in Note 2.4, the functional currency and presentation currency of the Company is the Euro. However, in line with industry practice in all international crude oil and oil trading transactions, underlying commodity prices are based on international reference prices quoted in US dollars.

Foreign currency exchange risk arises on three types of exposure:

- **Financial position translation risk:** Most of the inventory held by the Company is reported in Euro while its underlying value is determined in USD. Thus, a possible devaluation of the USD against the Euro leads to a reduction in the realisable value of inventory included in the statement of financial position. In order to manage this risk, a significant part of the Company's payables (sourcing of crude oil and petroleum products) is denominated in USD resulting to an offsetting impact to the one described above. It should be noted however, that while in the case of USD devaluation the impact on the statement of financial position is mitigated, in cases of USD appreciation the mark-to-market valuation of USD-denominated trade liabilities leads to a reported foreign exchange loss with no compensating benefit as inventories continue to be included in the statement of financial position at cost. It is estimated, that at 31 December 2023 if the Euro had weakened against the US dollar by 5% with all other variables held constant, pre-tax results would have been approximately €18 million lower (2022: €33 million lower), as a result of foreign exchange losses on translation of US dollar denominated receivables, payables, cash and borrowings.
- **Gross Margin transactions and translation risk:** The fact that most of the transactions in crude oil and oil products are based on international Platt's USD prices leads to exposure in terms of the Gross Margin translated in Euro. Market volatility had an adverse impact on the cost of mitigating this exposure; as a result the Company did not actively hedge material amounts of the Gross margin exposure. This exposure is linearly related to the Gross margin of the Company in that the appreciation/ depreciation of Euro vs. USD leads to a respective translation loss/ (gain) on the period results.

(ii) Commodity price risk

The Company's primary activity as a refiner involves exposure to commodity prices. Changes in current or forward absolute price levels vs acquisition costs affect the value of inventory while exposure to refining margins (combination of crude oil and product prices) affect the future cash flows of the business.

In the case of price risk, the level of exposure is determined by the amount of the value of inventory carried at the end of the reporting period. Company policy is to report its inventory at the lower of historical cost and net realisable value, therefore results are affected by the reduction in the carrying value of the inventory. The extent of the exposure relates directly to the level of stocks and price decrease.



Refining margin exposure relates to the absolute level of margin generated by the operation of the refineries. This is determined by Platt's prices and varies on a daily basis; changes in the refinery margins have a proportionate impact on the Company's profitability. It is estimated that if the Company's average refining margins in 2023 decreased by 1\$/bbl, with all other variables held constant, the pre-tax results would have been approximately €99 million lower.

Where possible, the Company aims to hedge part of its exposure associated with price changes of crude oil, products and refinery margins, depending on the prevailing market conditions.

(iii) Interest rate risk

Borrowings issued at variable rates expose the Company to cash flow interest rate risk, whilst borrowings issued at fixed rates protect the Company from potential interest rate fluctuation risk. The Company's borrowings with third parties are at variable rates of interest, whilst there are also intercompany loans at fixed rates amounting to €231 million, as at 31 December 2023. Depending on the levels of net debt at any given period of time, any change in the base interest rates (EURIBOR or LIBOR), has a proportionate impact on the Company results. At 31 December 2023, if interest rates on Euro denominated borrowings had been 0,5% higher with all other variables held constant, pre-tax gains for the year would have been €10 million lower.

*(b) Credit risk*

(i) Risk Management

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale customers, including outstanding receivables and committed transactions. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

(ii) Credit quality

The credit quality of cash and cash equivalents is assessed by reference to external credit ratings obtained from S&P, in the table below:

<i>Bank rating (in €million)</i>	<b>31 December 2023</b>	<b>31 December 2022</b>
A+	183.888	1.436
A-	53.996	57.048
BBB-	-	4.390
B+	238.162	305.430
B	29.702	-
B-	-	100.784
No rating	124	96
<b>Total</b>	<b>505.872</b>	<b>469.184</b>

A Group credit committee monitors material credit exposures arising from trade receivables. See note 12 for further disclosures on credit risk.

*(c) Liquidity risk*

Prudent liquidity risk management entails maintaining sufficient cash reserves and financial headroom, through committed credit facilities. Due to the dynamic nature of the underlying businesses, the Company aims to maintain flexibility in its funding operations through the use of cash and committed credit facilities.

The Company's plans with respect to term facilities expiring within the next 12 months are presented below, in million Euros.

<i>(€ million)</i>	1H24	2H24	2024	Scheduled for repayment	Scheduled for refinancing
<b>Contractual Term Facility Repayments</b>					
€200 million RCF Feb 2024	200	-	200	-	200
Intercompany Loan (HEF)	-	231	231	231	-
<b>Total</b>	<b>200</b>	<b>231</b>	<b>431</b>	<b>231</b>	<b>200</b>

In February 2024, the Company proceeded with the extension of a revolving credit facility of €200 million initially maturing in February 2024, for one year (Note 17).

The Company's bilateral lines, the used balance of which as of 31 December 2023 was €0,2 billion, are uncommitted credit facilities with various banks to finance general corporate needs. The Company expects it will be able to continue to renew these in the future or will refinance part of them with committed revolving credit facilities.

The table below analyses the Company's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period from the year-end to the contractual maturity date:

	Note	Less than 1 year	Between 1 and 5 years	Over 5 years
<b>31 December 2023</b>				
Borrowings		825.617	1.234.351	27.730
Lease liabilities	<b>18</b>	7.693	7.778	2.695
Derivative financial instruments	<b>23</b>	13.333	-	-
Trade and other payables		1.346.700	-	-
<b>31 December 2022</b>				
Borrowings		1.466.151	937.329	28.236
Lease liabilities	<b>18</b>	7.826	8.907	3.424
Derivative financial instruments	<b>23</b>	1.761	-	-
Trade and other payables		1.599.133	-	-

The amounts included as borrowings and lease liabilities in the table above do not correspond to the balance sheet amounts as they are the undiscounted contractual cash flows which include capital and interest.

Trade and other payables do not correspond to the balance sheet amounts as they include only financial liabilities.

### **3.2 Capital risk management**

The Company's objective with respect to capital structure, which includes both equity and debt funding, is to safeguard its ability to continue as a going concern, to have in place an optimal capital structure from a cost perspective.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with the industry convention, the Company monitors capital structure and indebtedness levels on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including “current and non-current borrowings” as shown in the statement of financial position) less “Cash & cash equivalents” and “Investments in equity instruments”. Total capital employed is calculated as “Total Equity” as shown in the statement of financial position plus net debt.

The long-term objective of the Company is to maintain the gearing ratio between 35% and 45%, as significant fluctuations of crude oil prices may affect total debt respectively. The Company is in process of reviewing its capital structure and relevant objectives.

The gearing ratios as at 31 December 2023 and 2022 were as follows:

		As at	
	Note	31 December 2023	31 December 2022
Total Borrowings	17	1.956.356	2.226.531
Less: Cash and cash equivalents	13	(505.872)	(469.184)
<b>Net debt (excl. lease liabilities)</b>		<b>1.450.484</b>	<b>1.757.347</b>
Total Equity		1.456.087	1.233.233
<b>Total Capital Employed (excl. lease liabilities)</b>		<b>2.906.571</b>	<b>2.990.580</b>
<b>Gearing ratio (excl. lease liabilities)</b>		<b>50%</b>	<b>59%</b>
Lease liabilities	18	16.484	18.171
<b>Net debt (incl. lease liabilities)</b>		<b>1.466.968</b>	<b>1.775.518</b>
<b>Total Capital Employed (incl. lease liabilities)</b>		<b>2.923.055</b>	<b>3.008.751</b>
<b>Gearing ratio (incl. lease liabilities)</b>		<b>50%</b>	<b>59%</b>

### 3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2023:

As of 31 December 2023	Level 1	Level 2	Level 3	Total balance
<b>Assets</b>				
Derivatives at fair value through the income statement	-	1.676	-	1.676
	-	<b>1.676</b>	-	<b>1.676</b>
<b>Liabilities</b>				
Derivatives used for hedging	-	13.333	-	13.333
	-	<b>13.333</b>	-	<b>13.333</b>

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2022:

As of 31 December 2022	Level 1	Level 2	Level 3	Total balance
<b>Assets</b>				
Derivatives at fair value through the income statement	-	5.114	-	5.114
	-	<b>5.114</b>	-	<b>5.114</b>
<b>Liabilities</b>				
Derivatives at fair value through the income statement	-	172	-	172
Derivatives used for hedging	-	1.589	-	1.589
	-	<b>1.761</b>	-	<b>1.761</b>

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of commodity swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

There were no changes in valuation techniques during the year. For the years ended 31 December 2023 and 31 December 2022, there were no transfers between levels.

The fair value of borrowings, given that they are mostly at variable rates and the applicable credit ratings of the Company remain unchanged, approximate their carrying value. The fair values of borrowings are within level 2 of the fair value hierarchy.

The fair value of the following financial assets and liabilities approximate their carrying amount, due to their short-term nature:

- Trade receivables
- Cash and cash equivalents
- Trade and other payables

#### **4 Critical accounting estimates and judgements**

Estimates and judgements are continuously evaluated and are based on historical experience as adjusted for current market conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. 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 addressed below.

(i) Critical accounting estimates and assumptions

*(a) Income taxes*

The Company is subject to periodic audits by tax authorities and the assessment process for determining the company's current and deferred tax balances is complex and involves high degree of estimation and judgement. There are some transactions and calculations for which the ultimate tax determination is uncertain. Where tax positions are not settled with the tax authorities, Management takes into account past experience with similar cases, as well as the advice of tax and legal experts in order to analyze the specific facts and circumstances, interpret the relevant tax legislation, assess other similar positions taken by the tax authorities to form a view about whether its tax treatments will be accepted by the tax authorities, or whether a provision is needed. Where the Company is required to make payments in order to appeal against positions of tax authorities and the Company assesses that it is more probable than not to win its appeal, the respective payments are recorded as assets, as these advance payments will be returned to the Company, if the Company's position is upheld. In case the Company determines a provision is needed for the outcome of the uncertain tax position, any amounts already paid are deducted from the said provision.

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.

*(b) Recoverability of deferred tax assets*

Deferred tax assets include certain amounts which relate to carried forward tax losses. Such tax losses are available for set off for a limited period of time since they are incurred. The Company makes assumptions on whether these deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

*(c) Provision for environmental restoration*

The Company operates in the oil industry with its principal activities being that of refining of crude oil and sale of oil products, and the production and trading of petrochemical products. Environmental damage caused by such substances may require the Company to incur restoration costs to comply with the regulations in the various jurisdictions in which the Company operates, and to settle any legal or constructive obligation. Analysis and estimates are performed by the Company together with its technical and legal advisers, in order to determine the probability, timing and amount involved with probable required outflow of resources. Estimated restoration costs, for which disbursements are determined to be probable, are recognised as a provision in long-term liabilities and as part of the respective fixed asset cost in the statement of financial position. Subsequently, the effect of unwinding the discounting of the provision is charged in the finance cost and the fixed asset is depreciated in the statement of comprehensive income. In case there are changes in estimates or the final determination of such obligation amounts differ from the recognised provisions, the Company's statement of comprehensive income is impacted.

*(d) Estimates in value-in-use calculations*

The Company assesses, at each reporting date, whether there is an indication that a non-current asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The Company will adjust the key assumptions used in value-in-use calculations and sensitivity to changes in assumptions, should a change be required. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount of a cash-generating unit (CGU) is determined for impairment tests purposes based on value-in-use calculations which require the use of assumptions. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The calculations use cash flow projections based on financial budgets approved by management, with consideration to independent third-party data which inter-alia include forecasted international commodity prices used in the calculation of benchmarks refining margins, demand evolution and operating costs. These budgets and forecast calculations generally cover a period of five years. Cash flows beyond the period over which projections are available are extrapolated using estimated growth rates. These growth rates are consistent with forecasts included in country or industry reports specific to the country and industry in which each CGU operates, and, where appropriate, are further calibrated to the Company's long-term objectives in relation to climate related matters, such as diminishing growth rates applied for time periods where there are no reliable forecasts, but policy objectives indicate that changes in the market are reasonably expected. Further, the Company constantly monitors the latest government legislation in relation to climate related matters. The key assumptions used to determine the recoverable amount for the different CGUs, or assets, including a sensitivity analysis on these assumptions, are disclosed and further explained in Note 6, for Property, Plant and Equipment.

*(e) Fair value of financial instruments*

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives and certain investments in equity instruments) is determined by using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

*(f) Provision for expected credit losses of receivables*

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision matrix is based on the Company's historical credit loss experience, calibrated to adjust the historical credit loss experience with forward-looking information specific to the debtors and the economic environment. At each year end, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed credit losses, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For the years ended 31 December 2023 and 2022, management assessed forward-looking information specific to its trade debtors and the economic environment and recorded additional losses in line with its policies, when needed (note 12).

*(g) Retirement benefit obligations*

The present value of the pension obligations for the Company's defined benefit plans depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate and salary rate increases. Any changes in these assumptions will impact the carrying amount of pension obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency and jurisdiction in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 20.

*(h) Depreciation of property, plant and equipment*

The Company periodically assesses the useful lives of its property, plant and equipment to determine whether the original estimated lives continue to be appropriate. To this respect, the Company may obtain technical studies and use external sources to determine the lives of its assets, which can vary depending on a variety of factors such as technological innovation and maintenance programs.

(ii) Critical judgements in applying the Company's accounting policies

*(a) Impairment of non-current assets and investments in subsidiaries, associates and joint ventures*

The Company assesses at each reporting date, whether indicators for impairment exist, for its non-financial assets (Note 2.8) and its investments in subsidiaries, associates and joint ventures. The assessment includes both external and internal factors which include inter-alia, significant changes with an adverse effect in the regulatory or technological environment or evidence available from internal reporting that indicates that the economic performance of the asset is, or will be worse than expected. If any indication exists, the Company estimates the asset's, or cash generating unit's recoverable amount. Judgment is involved to some extent in determining whether indicators exist and also for the determination of the cash generating units at which the respective assets are tested for impairment. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

*(b) Provisions for legal claims*

The Company has a number of legal claims pending against it (Note 31). Management uses its judgement, as well as the available information from the legal department and external counsellors when deemed necessary, in order to assess the likely outcome of these claims and if it is more likely than not that the Company will lose a claim, then a provision is recognised. Provisions for legal claims, if required, are measured at the present value

of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

*(c) Determination of lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The following factors are normally the most relevant: If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate). If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate). Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices and vehicles leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption. The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

## **5 Segment information**

Group's Executive Committee reviews the Company's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The committee assesses performance, taking into account a number of measures which may vary depending on the nature and evolution of a business segment by taking into account the risk profile, cash flow, product and market considerations. Information provided to the committee is measured in a manner consistent with that of the financial statements.

The Company's key operating segments are:

*a) Refining, Supply and Trading (Refining)*

Activities revolve around the operation of the Company's three refineries located in Aspropyrgos, Elefsina and Thessaloniki, which account for approximately 65% of the country's total refining capacity. The three refineries combine a storage capacity of 6,65 million m<sup>3</sup> of crude oil and petroleum products.

*b) Petrochemicals*

Petrochemical activities mainly focus on the production and marketing of polypropylene, BOPP films and solvents, as well as the trading of imported plastics and chemicals. The polypropylene production plant in Thessaloniki mainly receives propylene produced in the Aspropyrgos refinery. Part of the production of the produced polypropylene is the raw material used in the BOPP film production unit in Komotini.

More information about the activities of the Company's key operating segments can be found in the consolidated Annual Report of the HELLENIQ ENERGY Group.



Financial information regarding the Company's operating segments for the year ended 31 December 2023 and 31 December 2022 is presented below:

<b>For the year ended 31 December 2023</b>	<b>Note</b>	<b>Refining</b>	<b>Petro-chemicals</b>	<b>Total</b>
Revenue from contracts with customers		11.442.412	301.875	11.744.287
<b>EBITDA *</b>		<b>879.150</b>	<b>38.558</b>	<b>917.708</b>
Depreciation and amortisation (PPE & Intangibles)	6,8	(180.308)	(7.774)	(188.082)
Depreciation of right-of-use assets	7	(3.709)	(4.144)	(7.853)
<b>Operating profit/(loss)</b>		<b>695.133</b>	<b>26.640</b>	<b>721.773</b>
Finance (expense)/income	26	(104.042)	(1.319)	(105.361)
Lease finance cost	26	(542)	(63)	(605)
Dividend income		620	2.192	2.812
Currency exchange gains/(losses)	27	(4.342)	-	(4.342)
<b>Profit/(Loss) before income tax</b>		<b>586.827</b>	<b>27.450</b>	<b>614.277</b>
Income tax	28			(112.867)
<b>Profit/(Loss) for the year</b>				<b>501.410</b>

<b>For the year ended 31 December 2022</b>	<b>Note</b>	<b>Refining</b>	<b>Petro-chemicals</b>	<b>Total</b>
Revenue from contracts with customers		13.086.983	380.360	13.467.343
<b>EBITDA *</b>		<b>1.439.268</b>	<b>67.594</b>	<b>1.506.862</b>
Depreciation and amortisation (PPE & Intangibles)	6,8	(186.657)	(5.482)	(192.139)
Depreciation of right-of-use assets		(3.388)	(3.649)	(7.037)
<b>Operating profit/(loss)</b>		<b>1.249.223</b>	<b>58.463</b>	<b>1.307.686</b>
Finance (expense)/income	26	(87.825)	(1.211)	(89.036)
Lease finance cost	26	(431)	(39)	(470)
Dividend income		1.105	1.918	3.023
Currency exchange gains/(losses)	27	1.366	-	1.366
<b>Profit/(Loss) before income tax</b>		<b>1.163.438</b>	<b>59.131</b>	<b>1.222.569</b>
Income tax	28			(515.426)
<b>Profit for the year</b>				<b>707.143</b>

\* EBITDA is calculated as Operating profit/(loss) per the statement of comprehensive income plus depreciation and amortization.

There were no changes in the basis of segmentation or in the basis of measurement of segmental profit or loss, during the year ended 31 December 2023.

An analysis of the Company's revenue from contracts with customers by type of market (domestic, aviation & bunkering and exports) and business unit, is presented below:

<b>For the year ended 31 December 2023</b>	<b>Note</b>	<b>Refining</b>	<b>Petro-chemicals</b>	<b>Total</b>
Domestic		3.685.329	113.692	3.799.021
Aviation & Bunkering		1.795.945	-	1.795.945
Exports		5.961.138	188.183	6.149.321
<b>Revenue from contracts with customers</b>		<b>11.442.412</b>	<b>301.875</b>	<b>11.744.287</b>

**Hellenic Petroleum R.S.S.O.P.P. S.A.**  
 Financial Statements in accordance with IFRS  
 for the 2<sup>nd</sup> Fiscal Year from 1 January to 31 December 2023  
*(All amounts in Euro thousands unless otherwise stated)*

<b>For the year ended 31 December 2022</b>	<b>Note</b>	<b>Refining</b>	<b>Petro-chemicals</b>	<b>Total</b>
Domestic		4.791.378	146.551	4.937.929
Aviation & Bunkering		2.273.191	-	2.273.191
Exports		6.022.414	233.809	6.256.223
<b>Revenue from contracts with customers</b>		<b>13.086.983</b>	<b>380.360</b>	<b>13.467.343</b>

The segment assets and liabilities on 31 December 2023 and 31 December 2022 are as follows:

<b>31 December 2023</b>	<b>Refining</b>	<b>Petro-chemicals</b>	<b>Total</b>
Total Assets	5.246.733	173.938	<b>5.420.671</b>
Total Liabilities	3.862.072	102.512	<b>3.964.584</b>
<b>31 December 2022</b>	<b>Refining</b>	<b>Petro-chemicals</b>	<b>Total</b>
Total Assets	5.698.322	170.693	<b>5.869.015</b>
Total Liabilities	4.522.400	113.382	<b>4.635.782</b>

There has been no material change in the definition of segments or the segmental analysis of total assets or total liabilities from the amounts disclosed in the annual financial statements for the year ended 31 December 2022.

## 6 Property, plant and equipment

	Land	Buildings	Plant & Machinery	Means of transport	Furniture and fixtures	Assets Under Construction	Total
<b>Cost</b>							
<b>As at 3 January 2022</b>	<b>141.448</b>	<b>549.983</b>	<b>4.357.235</b>	<b>15.191</b>	<b>61.125</b>	<b>170.094</b>	<b>5.295.076</b>
Additions	-	11	522	710	904	193.686	195.833
Capitalised projects	-	3.547	211.943	-	1.236	(216.726)	-
Disposals	-	-	-	-	-	(136)	(136)
Transfers and other movements	-	-	(19.592)	-	150	(835)	(20.277)
<b>As at 31 December 2022</b>	<b>141.448</b>	<b>553.541</b>	<b>4.550.108</b>	<b>15.901</b>	<b>63.415</b>	<b>146.083</b>	<b>5.470.496</b>
<b>Accumulated Depreciation</b>							
<b>As at 3 January 2022</b>	-	<b>271.162</b>	<b>2.252.839</b>	<b>11.763</b>	<b>53.322</b>	-	<b>2.589.086</b>
Charge for the year	-	14.582	173.853	476	2.016	-	190.927
Transfers and other movements	-	-	69	-	146	-	215
<b>As at 31 December 2022</b>	-	<b>285.744</b>	<b>2.426.761</b>	<b>12.239</b>	<b>55.484</b>	-	<b>2.780.228</b>
<b>Net Book Value at 31 December 2022</b>	<b>141.448</b>	<b>267.797</b>	<b>2.123.347</b>	<b>3.662</b>	<b>7.931</b>	<b>146.083</b>	<b>2.690.268</b>
<b>Cost</b>							
<b>As at 1 January 2023</b>	<b>141.448</b>	<b>553.541</b>	<b>4.550.108</b>	<b>15.901</b>	<b>63.415</b>	<b>146.083</b>	<b>5.470.496</b>
Additions	-	7	6.029	4	2.083	173.760	181.883
Capitalised projects	-	5.815	105.645	-	2.485	(113.945)	-
Disposals	-	-	(251)	(607)	(147)	(129)	(1.134)
Transfers and other movements	-	-	-	-	-	(21)	(21)
<b>As at 31 December 2023</b>	<b>141.448</b>	<b>559.363</b>	<b>4.661.531</b>	<b>15.298</b>	<b>67.836</b>	<b>205.748</b>	<b>5.651.224</b>
<b>Accumulated Depreciation</b>							
<b>As at 1 January 2023</b>	-	<b>285.744</b>	<b>2.426.761</b>	<b>12.239</b>	<b>55.484</b>	-	<b>2.780.228</b>
Charge for the year	-	14.636	170.788	475	1.933	-	187.832
Disposals	-	-	-	(608)	(156)	-	(764)
<b>As at 31 December 2023</b>	-	<b>300.380</b>	<b>2.597.549</b>	<b>12.106</b>	<b>57.261</b>	-	<b>2.967.296</b>
<b>Net Book Value at 31 December 2023</b>	<b>141.448</b>	<b>258.983</b>	<b>2.063.982</b>	<b>3.192</b>	<b>10.575</b>	<b>205.748</b>	<b>2.683.928</b>

- (1) The Company has not pledged any property, plant and equipment as security for borrowings.
- (2) Additions mainly include capital expenditures in the refining segment that relate to projects of long-term maintenance and upgrades of the refining units. These amounts are included in assets under construction and are reclassified into the relevant asset class when the projects are completed. As of 31 December 2023, such amounts mainly included:
  - Maintenance turnaround works at refineries, long-term maintenance and upgrades of the refining units (€124 million)
  - Growth, safety, regulatory and environmental expenditures (€51 million)

- (3) 'Capitalized projects' relate to completed assets under construction which are reclassified to their relevant category. During 2023 an amount of €7,2 million (2022: €3 million) in respect of interest has been capitalized within Assets under construction relating to the refining segment, at an average borrowing rate of 5,01% (2022: 2,79%).
- (4) 'Transfers and other movements' include the transfer of computer software development costs to intangible assets.
- (5) The Company constantly monitors the developments in the sector with respect to energy transition as well as the latest legislation in relation to climate related matters. The significant accounting estimates made by management incorporate the future effects of the Company's own strategic decisions and commitments on having its portfolio adhered to the energy transition targets, short and long-term impacts of climate-related matters and energy transition to lower carbon energy sources together with management's best estimate on global supply and demand, including forecasted commodities prices. The Company will adjust the key assumptions used in the assessment for indications of impairment and the value-in-use calculations, if any, in case a change is required in respect with climate related matters. Management considers the existence of indicators for impairment and performs an assessment for significant CGUs (Notes 2.1, 4). Management assessed the financial performance of the Refining, Supply, Trading and Petrochemicals CGU and the outlook of market conditions, taking into consideration the environmental regulatory consequences and concluded that there are no indicators for impairment as of 31 December 2023.
- (6) Depreciation of property, plant and equipment of €187,8 million (2022: €190,9 million), depreciation of right-of-use assets of €7,8 million (2022: €7,0 million) and amortisation expense of €0,2 million (2022: €1,2 million) are allocated in the following lines of the statement of comprehensive income:
- Cost of Sales €177,6 million (2022: €181,3 million),
  - Selling and distribution expenses €15,4 million (2022: €13,3 million),
  - Administration expenses €2,9 million (2022: €4,5 million)

## 7 Right-of-use assets

	Commercial Properties	Plant & Machinery	Motor vehicles	Total
<b>Cost</b>				
As at 3 January 2022	3.102	13.773	14.038	30.913
Additions	3.164	2.727	5.717	11.608
Modification	68	(1)	(51)	16
<b>As at 31 December 2022</b>	<b>6.334</b>	<b>16.499</b>	<b>19.704</b>	<b>42.537</b>
<b>Accumulated Depreciation</b>				
As at 3 January 2022	1.373	4.918	8.917	15.208
Charge for the period	752	2.117	4.168	7.037
<b>As at 31 December 2022</b>	<b>2.125</b>	<b>7.035</b>	<b>13.085</b>	<b>22.245</b>
<b>Net Book Value at 31 December 2022</b>	<b>4.209</b>	<b>9.464</b>	<b>6.619</b>	<b>20.292</b>
<b>Cost</b>				
As at 1 January 2023	6.334	16.499	19.704	42.537
Additions	-	-	5.360	5.360
Modification	940	10	(124)	826
Other movements	26	-	(7)	19
<b>As at 31 December 2023</b>	<b>7.300</b>	<b>16.509</b>	<b>24.933</b>	<b>48.742</b>
<b>Accumulated Depreciation</b>				
As at 1 January 2023	2.125	7.035	13.085	22.245
Charge for the period	960	1.969	4.924	7.853
Other movements	26	-	(7)	19
<b>As at 31 December 2023</b>	<b>3.111</b>	<b>9.004</b>	<b>18.002</b>	<b>30.117</b>
<b>Net Book Value at 31 December 2023</b>	<b>4.189</b>	<b>7.505</b>	<b>6.931</b>	<b>18.625</b>

The Company leases a variety of assets in the course of its activities, such as office space, tanks and catalysts, as well as vehicles.

Part of the Company's operations require the use of coastal zones. The Company has entered into an agreement with the State for the use of coastal zones in certain areas. There are, however, other areas where the Company uses coastal zones and for which no agreement exists. The State may periodically issue a notice for compensation for the use of the coastal zones for these areas. Upon adoption of IFRS 16, the Company concluded that the use of coastal zones could meet the criteria of an identified asset under IFRS 16, where an agreement exists. Where the terms of use by the Greek state are determinable from the agreement, the Company recognizes a right of use asset within commercial properties and a lease liability representing its obligation to make payments. For instances where the Company uses coastal zones without an agreement, the Company considers that the arrangement does not constitute a lease and provides for compensation for the use of the coast based on the most recently received notice. For the year ended 31 December 2023, this is estimated at €670 thousand (2022: €670 thousand) and is included in current liabilities.

Furthermore, the Company operates a number of underground pipelines within the boundaries of various municipalities, in accordance with relevant laws. As described in note 31, certain municipalities have proceeded with the imposition of duties and fines relating to the rights of way. The Company has appealed against such amounts imposed as described in the note and does not consider that any of these fall within the scope of IFRS 16, as there is no requirement to pay compensation.

## 8 Intangible assets

	Computer software	Licences & Rights	EU allowances	Total
<b>Cost</b>				
<b>As at 3 January 2022</b>	<b>30.977</b>	<b>24.299</b>	<b>52.752</b>	<b>108.028</b>
Additions	142	-	-	142
Purchase of EUAs	-	-	316.128	316.128
Surrender of EUAs	-	-	(87.764)	(87.764)
Transfers & other movements	831	-	-	831
<b>As at 31 December 2022</b>	<b>31.950</b>	<b>24.299</b>	<b>281.116</b>	<b>337.365</b>
<b>Accumulated Amortisation</b>				
<b>As at 3 January 2022</b>	<b>30.143</b>	<b>24.296</b>	-	<b>54.439</b>
Charge for the year	1.211	1	-	1.212
<b>As at 31 December 2022</b>	<b>31.354</b>	<b>24.297</b>	-	<b>55.651</b>
<b>Net Book Value at 31 December 2022</b>	<b>596</b>	<b>2</b>	<b>281.116</b>	<b>281.714</b>
<b>Cost</b>				
<b>As at 1 January 2023</b>	<b>31.950</b>	<b>24.299</b>	<b>281.116</b>	<b>337.365</b>
Additions	93	-	-	93
Purchase of EUAs	-	-	114.918	114.918
Surrender of EUAs	-	-	(305.288)	(305.288)
Transfers & other movements	305	-	-	305
<b>As at 31 December 2023</b>	<b>32.348</b>	<b>24.299</b>	<b>90.746</b>	<b>147.393</b>
<b>Accumulated Amortisation</b>				
<b>As at 1 January 2023</b>	<b>31.354</b>	<b>24.297</b>	-	<b>55.651</b>
Charge for the year	248	2	-	250
Transfers & other movements	282	-	-	282
<b>As at 31 December 2023</b>	<b>31.884</b>	<b>24.299</b>	-	<b>56.183</b>
<b>Net Book Value at 31 December 2023</b>	<b>464</b>	<b>-</b>	<b>90.746</b>	<b>91.210</b>

‘Transfers and other movements’ in computer software mainly relate to completed IT software projects capitalised during the year and thus transferred from assets under construction. These projects are monitored within assets-under-construction as implementation of the relevant software takes place over a period of time. They are transferred to Intangible Assets when the implementation of the software has been completed and tested as being ready for use.

As at 31 December 2023, the balance of EUA allowances comprises 1.1 million metric tons of purchased emission rights (EUAs) valued at €91 million (31 December 2022: 3.3 million metric tons at €281 million) and 2.4 million EUAs of free allowance with no value (31 December 2022: 0.04 million metric tons with no value). Among these, 500 thousand tons are pledged under a derivative agreement set to expire in April 2024, after which the EU allowances will be released from pledge (31 December 2022: nil). The deadline for surrendering the EUAs to cover the emissions deficit of 2023 has been shifted from April 2024 to September 2024, in accordance with the Greek ministry of finance and the EU regulation.

## 9 Investment in subsidiaries, associates and joint ventures

	Note	As at	
		31 December 2023	31 December 2022
<b>As at 1 January 2023</b>		<b>19.028</b>	<b>24.979</b>
Increase / (Decrease) in share capital of subsidiaries		7.966	(2.375)
Share capital increase through payment of Parent company dividends to group employees		582	140
(Impairment) of investments / Reversal of impairment	25	(8.548)	(3.716)
<b>As at 31 December 2023</b>		<b>19.028</b>	<b>19.028</b>

A list of the Company's direct investments is as follows:

Name	Participating interest	Country of Incorporation	Classification
ASPROFOS S.A.	100,0%	Greece	Subsidiary
DIAXON S.A.	100,0%	Greece	Subsidiary
GLOBAL ALBANIA S.A.	99,9%	Albania	Subsidiary
ATHENS AIRPORT FUEL PIPELINE COMPANY S.A.	50,0%	Greece	Associate
ARTENIUS HELLAS (under liquidation)	35,0%	Greece	Associate

- a) 'Increase/(decrease) in share capital of subsidiaries' relates mainly to the ASPROFOS S.A., as detailed below. There was also a cash injection of €0,1 million in GLOBAL ALBANIA to cover immediate operational needs.
- b) Impairment of investments relates to Asprofos and Global Albania

### *ASPROFOS S.A.*

The recurring losses of the subsidiary company ASPROFOS S.A., the continuous share capital increases in order to cover the obligations of the subsidiary company and the continuous reductions in share capital of the subsidiary company with offsetting of losses, along with the developments in the mechanical construction market that are not favorable for the subsidiary, were considered as indications of a possible impairment of the Company's investment in its subsidiary. During previous years, impairment tests performed by the Company's Management led to the full impairment of the Company's investment in its subsidiary. On 31 December 2022, the net book value of the holding (cost of investment minus impairment) was zero.

During the period ended 31 December 2023, the Company proceeded with the payment of an amount of €7,8 million to cover the share capital increase of the subsidiary company. In addition, in September 2023 the General Assembly of shareholders of ASPROFOS S.A. approved the reduction of the company's share capital of €5.3 million, in order to offset its accumulated losses.

On 31 December 2023, Management evaluated the above facts and considered that the indications of impairment of its investment in the subsidiary continue to exist. Management, analyzing the negative future cash flows that the subsidiary is estimated to generate in accordance with its five-year business plan (2024 – 2028), concluded that the amount of €7,8 million paid in the context of the share capital increase is not recoverable and recognised it as an impairment loss in other operating expenses and other losses in the statement of comprehensive income (note 25).

The subsidiary company GLOBAL ALBANIA S.A has suspended its operation, so the investment is fully impaired and any increase in participation is immediately written off in the other operating expenses and other losses in the statement of comprehensive income (note 25).

## 10 Loans, advances & long-term assets

	As at	
	31 December 2023	31 December 2022
Loans and advances	33.081	35.360
Other long term assets	149	162
<b>Total</b>	<b>33.230</b>	<b>35.522</b>

Loans and advances as of 31 December 2023 include trade receivables due in more than one year as a result of settlement arrangements. These are discounted at an average rate of 8,75% (31 December 2022: 6,74%) over their respective lives.

## 11 Inventories

	As at	
	31 December 2023	31 December 2022
Crude oil	404.767	733.522
Refined products and semi-finished products	796.421	796.941
Petrochemicals	31.524	35.777
Consumable materials and spare parts	130.475	124.235
- Less: Provision for consumables and spare parts	(55.020)	(51.723)
<b>Total</b>	<b>1.308.167</b>	<b>1.638.752</b>

No pledged inventories exist as of 31 December 2023.

Under IEA and EU regulations Greece is obliged to hold crude oil and refined product stocks in order to fulfil the EU requirement for compulsory Stock obligations (90 days stock directive), as legislated by Greek Law 3054/2002. This responsibility is passed on to all companies, including HELLENIC PETROLEUM R.S.S.O.P.P. S.A., which import and sell in the domestic market and who have the responsibility to maintain and finance the appropriate stock levels. Such stocks are part of the operating stocks and are valued on the same basis.

The cost of inventories recognised as an expense and included in "Cost of sales" amounted to €10,1 billion (2022: €11,1 billion). As of 31 December 2023, the Company wrote down inventories to their net realisable value, recording a loss of €9,6 million (31 December 2022: €24,2 million), included in Cost of Sales in the statement of comprehensive income.



## 12 Trade and other receivables

	As at	
	31 December 2023	31 December 2022
Trade receivables	498.865	507.362
- Less: Provision for impairment of receivables	(108.639)	(112.650)
<b>Trade receivables net</b>	<b>390.226</b>	<b>394.712</b>
Other receivables	296.695	261.777
- Less: Provision for impairment of receivables	(6.997)	(6.735)
<b>Other receivables net</b>	<b>289.698</b>	<b>255.042</b>
Prepaid expenses and accrued income	23.470	47.724
<b>Total</b>	<b>703.394</b>	<b>697.478</b>

As part of its working capital management, the Company utilises factoring facilities to accelerate the collection of cash from its customers in Greece. Non-recourse factoring is excluded from balances shown above, since all risks and rewards of the relevant invoices have been transferred to the factoring institution.

'Other receivables' typically include amounts paid to obtain the right to challenge imposed fines and duties in courts, as well as VAT, advances to creditors and restricted cash. As of 31 December 2023, payments to appeal in courts amounted to €152,5 million (31 December 2022: €147,7 million), VAT receivable €44,1 million (31 December 2022: €60,0 million), advances to creditors of €7,5 million (31 December 2022: €14,2 million) and restricted cash mainly related to margin call accounts of €6,0 million (31 December 2022: €13,4 million).

In addition, as of 31 December 2023, 'Other receivables' include €65 million receivable as compensation for indirect cost CO<sub>2</sub> in electricity (Note 25), out of which €35 million relate to 2023.

The table below analyses total trade receivables:

	As at	
	31 December 2023	31 December 2022
Not past due	329.576	283.434
Past due	169.289	223.928
<b>Total trade receivables</b>	<b>498.865</b>	<b>507.362</b>

The overdue days of trade receivables that were past due are as follows:

	As at	
	31 December 2023	31 December 2022
Up to 30 days	44.199	104.829
30 - 90 days	21.246	5.771
Over 90 days	103.844	113.328
<b>Total past due trade receivables</b>	<b>169.289</b>	<b>223.928</b>

Regarding trade receivables, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECLs). The maximum exposure to credit risk at the reporting date is the

carrying value of each class of receivable. Collaterals include primarily first- or second-class pre-notice over properties of the debtor, personal and bank guarantees.

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

	Not past due	Days past due			Total
		< 30 days	31-90 days	> 90 days	
<b>31 December 2023</b>					
Expected credit loss rate	0,36%	2,52%	16,09%	99,10%	21,78%
Total gross carrying amount	329.576	44.199	21.246	103.844	498.865
Expected credit loss	(1.198)	(1.114)	(3.418)	(102.909)	(108.639)

The movement in the provision for impairment of trade receivables is set out below:

	As at	
	31 December 2023	31 December 2022
<b>Balance at 1 January 2023</b>	<b>112.650</b>	<b>100.850</b>
Charged/(credited) to the statement of comprehensive income:		
- Additional provisions	5.203	11.800
- Receivables written off during the year as uncollectible	(9.214)	-
<b>Balance at 31 December 2023</b>	<b>108.639</b>	<b>112.650</b>

The additional provision for impairment has been included in selling and distribution costs in the statement of comprehensive income.

The movement in the provision for impairment of other receivables is set out below:

	As at	
	31 December 2023	31 December 2022
<b>Balance at 1 January 2023</b>	<b>6.735</b>	<b>6.691</b>
Charged/(credited) to the statement of comprehensive income:		
- Additional provisions	262	51
- Unused amounts reversed	-	(7)
<b>Balance at 31 December 2023</b>	<b>6.997</b>	<b>6.735</b>

### 13 Cash and cash equivalents

	As at	
	31 December 2023	31 December 2022
Cash at bank and on hand in Foreign currencies (mostly USD), in Euro equivalent	277.096	145.924
Cash at bank and on hand in Euro	29.049	323.260
Short term bank deposits	199.727	-
<b>Total cash and cash equivalents</b>	<b>505.872</b>	<b>469.184</b>

The balance of US Dollars included in Cash at bank as of 31 December 2023 was US\$426 million (Euro equivalent €386 million). The respective amount as of 31 December 2022 was US\$156 million (Euro equivalent €146 million).

The weighted average effective interest rate as at the reporting date on cash and cash equivalents was:

	As at	
	31 December 2023	31 December 2022
Euro	2,70%	0,00%
USD	3,91%	0,01%

### 14 Share capital and share premium

	Number of Shares (authorised and issued)	Share Capital	Share premium	Total
<b>As at 3 January 2022</b>	<b>130.100.000</b>	<b>1.301.000</b>	-	<b>1.301.000</b>
HELLENIQ ENERGY profits distributed to Company's employees	-	-	1.535	1.535
Decrease of share capital	(74.986.236)	(749.862)	-	(749.862)
<b>As at 31 December 2022</b>	<b>55.113.764</b>	<b>551.138</b>	<b>1.535</b>	<b>552.673</b>
<b>As at 1 January &amp; 31 December 2023</b>	<b>55.113.764</b>	<b>551.138</b>	<b>1.535</b>	<b>552.673</b>

As of 31 December 2023 and 31 December 2022, all ordinary shares were authorised, issued and fully paid. The nominal value of each ordinary share is €10,00 (31 December 2022: €10,00).

## 15 Reserves

	Statutory reserve	Special reserves	Tax-free & Incentive law reserves	Hedging reserve	Actuarial gains/ (losses)	Demerger reserve	Total
<b>Balance at 3 January 2022</b>	-	77.075	74.705	(614)	-	(749.862)	(598.696)
Cash flow hedges:							
- Fair value gains/(losses) on cash flow hedges	23	-	-	4.315	-	-	4.315
- Recycling of (gains)/losses on hedges through comprehensive income	23	-	-	(4.941)	-	-	(4.941)
Actuarial gains/(losses) on defined benefit pension plans	20	-	-	-	23.231	-	23.231
Offset demerger reserve with share capital	-	-	-	-	-	749.862	749.862
Transfer to statutory reserve	35.357	-	-	-	-	-	35.357
<b>Balance at 31 December 2022</b>	<b>35.357</b>	<b>77.075</b>	<b>74.705</b>	<b>(1.240)</b>	<b>23.231</b>	<b>-</b>	<b>209.128</b>
<b>Balance at 1 January 2023</b>	<b>35.357</b>	<b>77.075</b>	<b>74.705</b>	<b>(1.240)</b>	<b>23.231</b>	<b>-</b>	<b>209.128</b>
Cash flow hedges:							
- Fair value gains/(losses) on cash flow hedges	23	-	-	7.806	-	-	7.806
- Recycling of (gains)/losses on hedges through comprehensive income	23	-	-	(16.965)	-	-	(16.965)
Actuarial gains/(losses) on defined benefit pension plans	20	-	-	-	(5.532)	-	(5.532)
Transfer to statutory reserve	25.070	-	-	-	-	-	25.070
<b>Balance at 31 December 2023</b>	<b>60.427</b>	<b>77.075</b>	<b>74.705</b>	<b>(10.399)</b>	<b>17.699</b>	<b>-</b>	<b>219.507</b>

### *Statutory reserve*

Under Greek law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a statutory reserve until this reserve is equal to one third of the outstanding share capital. This reserve cannot be distributed during the existence of the corporation, but can be used to offset accumulated losses.

### *Special reserves*

Special reserves primarily relate to reserves arising from tax revaluations in accordance with the relevant legislation in prior years.

### *Tax-free and incentive law reserves*

These reserves relate to retained earnings, which have not been taxed with the prevailing corporate income tax rate as allowed by Greek law under various statutes and reserves relating to investments under incentive laws. These reserves will become liable to tax at the rate prevailing at the time of distribution to shareholders or conversion to share capital under certain conditions.

### *Hedging reserve*

The hedging reserve is used to record gains or losses on derivatives that are designated and qualify as cash flow hedges and that are recognised in other comprehensive income, as described in note 23. Amounts are reclassified to profit or loss when the associated hedged transaction affects profit or loss within cost of sales. As of 31 December 2023, the fair value result in hedging reserve relates to transactions described in notes 3 and 23.

*Actuarial gains / (losses) on defined benefit plans*

Actuarial gains / (losses) on defined benefit plans resulting from a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and b) the effects of changes in actuarial assumptions.

## **16 Trade and other payables**

	As at	
	31 December 2023	31 December 2022
Trade payables	1.080.442	1.170.613
Accrued Expenses	220.552	398.676
Other payables	75.057	57.254
<b>Total</b>	<b>1.376.051</b>	<b>1.626.543</b>

Reclassification: Comparative figures from "Trade payables" category of €18 million, have been reclassified to better reflect the nature of liabilities, to "Other payables". The above constitute reclasses with no effect in total balance.

Trade payables are comprised of amounts payable or accrued in respect of supplies of crude oil, products and services, as well as fixed assets.

Trade payables, as of 31 December 2023 and 31 December 2022, include amounts in respect of crude oil imports from Iran, which were received between December 2011 and March 2012 as part of a long-term contract with NIOC. Despite repeated attempts to settle the payment for these cargoes through the international banking system between January and June 2012, it was not possible to do so. In the period from 16 January 2016 up to 8 May 2018, when sanctions were suspended, the Company successfully made several payments against a significant part of these amounts. Since 8 May 2018, following the re-imposition of relevant sanctions by the United States, no deliveries of Iranian crude oil or payments have taken place.

Accrued expenses mainly relate to accrued interest, payroll-related accruals and accruals for operating expenses not yet invoiced.

Accrued expenses as of 31 December 2023, include an amount of €117 million (31 December 2022: €303 million) relating to the estimated cost of the CO<sub>2</sub> emission rights, necessary to meet the Company's deficit on that date.

Other payables include amounts in respect of payroll-related liabilities, social security obligations and sundry taxes.

## 17 Interest bearing loans and borrowings

	As at	
	31 December 2023	31 December 2022
<b>Non-current interest bearing loans and borrowings</b>		
Committed Revolving credit facilities	1.145.381	739.970
Intercompany borrowings	226.500	134.000
<b>Total non-current interest bearing loans and borrowings</b>	<b>1.371.881</b>	<b>873.970</b>
<b>Current interest bearing loans and borrowings</b>		
Committed Revolving credit facilities	199.940	867.922
Uncommitted credit facilities	153.535	369.051
Intercompany borrowings	231.000	115.588
<b>Total current interest bearing loans and borrowings</b>	<b>584.475</b>	<b>1.352.561</b>
<b>Total interest bearing loans and borrowings</b>	<b>1.956.356</b>	<b>2.226.531</b>

Non-current interest-bearing loans and borrowings mature as follows:

	As at	
	31 December 2023	31 December 2022
Between 1 and 2 years	635.436	99.821
Between 2 and 5 years	711.445	749.149
Over 5 years	25.000	25.000
<b>Total non-current interest bearing loans and borrowings</b>	<b>1.371.881</b>	<b>873.970</b>

The respective amounts of contractual (undiscounted) cash flows, which include capital and interest are disclosed in note 3.1.

The weighted average effective interest margins are as follows:

Bank Borrowings	Currency	As at	
		31 December 2023	31 December 2022
Short-term			
- Floating Euribor + margin	Euro	1,84%	2,51%
- Floating Libor + margin	USD	1,70%	2,40%
- Fixed rate	Euro	2,94%	-
Long-term			
- Floating Euribor + margin	Euro	1,86%	2,18%

The carrying amounts of borrowings are denominated in Euro and US Dollars:

	As at	
	31 December 2023	31 December 2022
Euro	1.946.807	2.220.001
US dollar	9.549	6.530
<b>Total interest bearing loans and borrowings</b>	<b>1.956.356</b>	<b>2.226.531</b>

The carrying amount of the borrowings which are denominated in USD relates to recourse factoring.

Borrowings by maturity as at 31 December 2023 and 31 December 2022 are summarised in the table below (amounts in € million):

	Maturity	As at	
		31 December 2023 (€ million)	31 December 2022 (€ million)
€100 million RCF Mar 2023	Mar 2023	-	100
€150 million RCF Oct 2023	Oct 2023	-	150
€200 million RCF Feb 2024	Feb 2024	200	-
€100 million RCF Oct 2024	Oct 2024	-	100
€400 million RCF May 2025	May 2025	241	348
€400 million Syndicated RCF Dec 2025	Dec 2025	193	292
€200 million RCF Feb 2026	Feb 2026	145	-
€400 million Syndicated RCF Jun 2028	Jun 2028	186	339
€400 million RCF Dec 2023	Nov 2028	381	279
Intercompany Loan (HEF)	Mar 2023	-	116
Intercompany Loan (HEF)	Oct 2024	231	-
Intercompany Bond Loan (HELLENiQ ENERGY)	Feb 2025	187	94
Intercompany Bond Loan (HELLENiQ ENERGY)	Dec 2025	15	15
Bilateral lines	Various	177	394
<b>Total</b>		<b>1.956</b>	<b>2.227</b>

Refer to 'Liquidity Risk Management' (Note 3.1) for an analysis of the Company's plans regarding the facilities falling due in 2024.

No loans were in default as at 31 December 2023.

All loans that were refinanced within 2023 met the criteria to be treated as extinguishments, and in accordance with the Company's accounting policy (Note 2.16), any unamortised finance fees impacted the Company's statement of comprehensive income.

Significant movement in borrowings for the year ended 31 December 2023 are as follows:

*Revolving Credit Facilities maturing in March, October 2023 and October 2024*

In February 2023, HELLENIC PETROLEUM R.S.S.O.P.P. S.A. refinanced 3 revolving credit facilities amounting in total to €350 million with 2 new facilities of total €400 million - €200 million maturing in 1 year and €200 million maturing in 3 years. Both new facilities include a 1-year extension option. The outstanding amount of the facilities as at 31 December 2023 was €200 million maturing in February 2024 and €145 million maturing in February 2026. In February 2024, HELLENIC PETROLEUM R.S.S.O.P.P. S.A. proceeded with the extension of the facility initially maturing in February 2024, for one year.

*Revolving Credit Facilities maturing in June 2028*

In June 2023, HELLENIC PETROLEUM R.S.S.O.P.P. S.A. issued a new facility of €400 million maturing in 5 years in order to refinance an existing €400 million facility maturing in June 2023 and to finance general corporate needs. The outstanding amount of the facilities as at 31 December 2023 was €190 million.

*Revolving Credit Facilities maturing in November 2028*

On 1 November 2023, HELLENIC PETROLEUM R.S.S.O.P.P. S.A. signed a new facility of €400 million maturing in 5 years in order to refinance an existing €400 million revolving credit facility maturing in December 2023. The outstanding amount of the facility as at 31 December 2023 was €383 million.

Intercompany Loans

During 2023, the Company issued a new bond loan with the Group's central treasury vehicle, HELLENIQ ENERGY FINANCE PLC ('HEF'), to finance general corporate purposes. The remaining outstanding balance of the notes as of 31 December 2023 was €231 million. The Company also maintains loans with the parent company HELLENIQ ENERGY HOLDINGS S.A., with an outstanding balance of €202 million, as of 31 December 2023.

Bilateral facilities

The Company maintains committed and uncommitted credit facilities with various banks to finance general corporate needs. The facilities mainly comprise of short-term loans which are renewed in accordance with the Company's finance needs.

The table below presents the changes in borrowings arising from financing activities, during 2023 and 2022:

	1 January 2023	Cash flows - borrowings (inflows)	Cash flows - borrowings (outflows)	Cash flows - fees	Non cash movements	31 December 2023
	€000	€000	€000	€000	€000	€000
Current interest-bearing loans and borrowings	1.352.561	576.484	(1.346.588)	(400)	2.418	584.475
Non-current interest-bearing loans and borrowings	873.970	1.197.246	(694.747)	(7.201)	2.613	1.371.881
<b>Total</b>	<b>2.226.531</b>	<b>1.773.730</b>	<b>(2.041.335)</b>	<b>(7.601)</b>	<b>5.031</b>	<b>1.956.356</b>

  

	3 January 2022	Cash flows - borrowings (inflows)	Cash flows - borrowings (outflows)	Cash flows - fees	Non cash movements	31 December 2022
	€000	€000	€000	€000	€000	€000
Current interest-bearing loans and borrowings	1.349.300	315.000	(549.503)	-	237.764	1.352.561
Non-current interest-bearing loans and borrowings	1.149.696	754.000	(793.000)	(5.000)	(231.726)	873.970
<b>Total</b>	<b>2.498.996</b>	<b>1.069.000</b>	<b>(1.342.503)</b>	<b>(5.000)</b>	<b>6.038</b>	<b>2.226.531</b>

'Cash flows –fees' column includes the finance fees paid and deferred against loans proceeds. 'Non-cash movements' column includes the amortization of deferred borrowing costs.



## 18 Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Note	As at	
		31 December 2023	31 December 2022
<b>As at 1 January</b>		<b>18.171</b>	<b>13.676</b>
Additions		5.360	11.608
Derecognition		-	-
Modification		826	16
Interest Cost	26	605	470
Repayment (capital and interest)		(8.478)	(7.639)
Other movements		-	40
<b>As at 31 December</b>		<b>16.484</b>	<b>18.171</b>
<b>Current</b>		<b>7.025</b>	<b>7.312</b>
<b>Non-current</b>		<b>9.459</b>	<b>10.859</b>

The following are the amounts recognized in the statement of comprehensive income:

	Note	As at	
		31 December 2023	31 December 2022
Depreciation expense for right-of-use assets	7	7.853	7.037
Interest expense on lease liabilities	26	605	470
Expense relating to short-term leases		221	224
<b>Total amount recognised in statement of comprehensive income</b>		<b>8.679</b>	<b>7.731</b>

The maturity table of the undiscounted cash flows of the lease liabilities is presented below:

	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>31 December 2023</b>				
Lease liability	7.693	7.778	2.695	18.166

## 19 Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movement on the deferred income tax liability is as follows:

		As at	
	Note	31 December 2023	31 December 2022
<b>Beginning of the year</b>		<b>(172.748)</b>	<b>(71.803)</b>
Income statement charge/(credit)	28	20.990	(94.570)
Charged / (released) to equity	28	4.143	(6.375)
<b>End of year</b>		<b>(147.615)</b>	<b>(172.748)</b>

Deferred tax relates to the following types of temporary differences:

	As at	
	31 December 2023	31 December 2022
Intangible and tangible fixed assets	(221.315)	(228.662)
Inventory valuation	13.290	12.565
Environmental provision	4.095	3.966
Unrealised exchange gains	949	(3.649)
Employee benefits provision	33.919	30.310
Provision for bad debts	6.250	5.062
Derivative financial instruments at fair value	2.564	(738)
Provision for write-down in investments of associates	10.828	8.947
Lease contracts	(471)	(467)
Other temporary differences relating to provisions and accruals	2.276	(82)
<b>Net deferred income tax asset/(liability)</b>	<b>(147.615)</b>	<b>(172.748)</b>

## 20 Retirement benefit obligations

The table below outlines where the Company's retirement benefit amounts and activity are included in the financial statements.

	As at	
	31 December 2023	31 December 2022
<b>Statement of Financial position obligations for:</b>		
Pension benefits	148.505	138.173
<b>Liability in the Statement of Financial position</b>	<b>148.505</b>	<b>138.173</b>

	For the year ended	
	31 December 2023	31 December 2022
<b>Statement of Comprehensive Income charge for:</b>		
Pension benefits	13.169	14.085
<b>Total in the statement of comprehensive income</b>	<b>13.169</b>	<b>14.085</b>

	For the year ended	
	31 December 2023	31 December 2022
<b>Remeasurements for:</b>		
Pension benefits	7.091	(29.783)
Income tax	(1.559)	6.552
<b>Total as per Statement of Other Comprehensive Income</b>	<b>5.532</b>	<b>(23.231)</b>

The amounts recognised in the statement of financial position are as follows:

	As at	
	31 December 2023	31 December 2022
Present value of funded obligations	15.194	12.357
Fair value of plan assets	(6.075)	(3.493)
<b>Deficit of funded plans</b>	<b>9.119</b>	<b>8.864</b>
Present value of unfunded obligations	139.386	129.309
<b>Liability in the Statement of Financial Position</b>	<b>148.505</b>	<b>138.173</b>

The plans are final salary pension plans. The level of benefits provided depend on members' length of service and remuneration.

**Hellenic Petroleum R.S.S.O.P.P. S.A.**  
Financial Statements in accordance with IFRS  
for the 2<sup>nd</sup> Fiscal Year from 1 January to 31 December 2023  
(All amounts in Euro thousands unless otherwise stated)

The movement in the defined benefit obligation is as follows:

	Present Value of Obligation	Fair Value of Plan Assets	Total
<b>As at 3 January 2022</b>	<b>168.366</b>	<b>(2.944)</b>	<b>165.422</b>
Current service cost	8.017	-	8.017
Interest expense/(income)	2.171	(16)	2.155
Past service costs and (gains)/losses on settlements	3.913	-	3.913
<b>Statement of comprehensive income charge</b>	<b>14.101</b>	<b>(16)</b>	<b>14.085</b>
<b>Remeasurements:</b>			
- Return on plan assets, excluding amounts included in Interest expense/(income)	-	(6)	(6)
- (Gain)/loss from change in financial assumptions	(33.042)	-	(33.042)
- Experience (gains)/losses	3.265	-	3.265
<b>Statement of other comprehensive income charge</b>	<b>(29.777)</b>	<b>(6)</b>	<b>(29.783)</b>
Exchange Differences			
Benefits paid directly by the Company/Contributions paid by the Company	(9.717)	(1.834)	(11.551)
Benefit payments from the plan	(1.307)	1.307	-
Settlement payments from the plan	-	-	-
<b>As at 31 December 2022</b>	<b>141.666</b>	<b>(3.493)</b>	<b>138.173</b>
<b>As at 1 January 2023</b>	<b>141.666</b>	<b>(3.493)</b>	<b>138.173</b>
Current service cost	6.783	(58)	6.725
Interest expense/(income)	5.110	-	5.110
Past service costs & (gains)/losses on settlements	1.334	-	1.334
<b>Statement of comprehensive income charge</b>	<b>13.227</b>	<b>(58)</b>	<b>13.169</b>
<b>Remeasurements:</b>			
- Return on plan assets, excluding amounts included in Interest expense/(income)	-	69	69
- (Gain)/loss from change in demographic assumptions	221	-	221
- (Gain)/loss from change in financial assumptions	735	-	735
- Experience (gains)/losses	6.066	-	6.066
<b>Statement of other comprehensive income charge</b>	<b>7.022</b>	<b>69</b>	<b>7.091</b>
Benefits paid directly by the Company/Contributions paid by the Company	(6.740)	(3.188)	(9.928)
Benefit payments from the plan	(595)	595	-
<b>As at 31 December 2023</b>	<b>154.580</b>	<b>(6.075)</b>	<b>148.505</b>

The expected maturity analysis of undiscounted pension benefits is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>Balance at 31 December 2023</b>					
Pension Benefits	16.971	22.265	30.567	135.861	205.664

Plan assets are comprised as follows:

	31 December 2023				31 December 2022			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
Equity Instruments	-	-	-	0%	126	-	126	4%
Debt Instruments:								
- Government bonds	1.974	-	1.974	32%	1.286	-	1.286	37%
- Corporate bonds	2.789	-	2.789	46%	1.686	-	1.686	48%
Investment funds	255	-	255	4%	290	-	290	8%
Cash and cash equivalents	1.057	-	1.057	17%	105	-	105	3%
<b>Total</b>	<b>6.075</b>	<b>-</b>	<b>6.075</b>		<b>3.493</b>	<b>-</b>	<b>3.493</b>	

The principal actuarial assumptions used were as follows:

	As at	
	31 December 2023	31 December 2022
Discount Rate	3,26%	3,79%
Future Salary Increases	2,00% - 2,50%	2,50% - 2,60%
Inflation	2,00%	2,60%
Average future working life in years (plan duration)	8,26	8,43

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on Defined Benefit Obligation		
	Change in assumption	Increase in DBO	Decrease in DBO
Discount Rate	0,50%	-3,33%	4,12%
Future Salary Increases	0,50%	4,12%	-

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

Expected contributions to defined benefit plans for the following year amount to €0,3 million. The weighted average duration of the defined benefit obligation is 8 years.

## 21 Provisions

The movement for provisions for 2023 and 2022 is as follows:

<b>As at 3 January 2022</b>	<b>22.248</b>
Charged/(credited) to the statement of comprehensive income:	
- Additional provisions	3.624
Utilised during year	(1.045)
<b>As at 31 December 2022</b>	<b>24.827</b>
<b>As at 1 January 2023</b>	<b>24.827</b>
Charged/(credited) to the statement of comprehensive income:	
- Additional provisions	1.292
Utilised during year	(843)
<b>As at 31 December 2023</b>	<b>25.276</b>

Long-term provisions as at 31 December 2023 comprise of amounts for pending legal claims and environmental restoration costs.

## 22 Other non-current liabilities

	As at	
	31 December 2023	31 December 2022
Government grants	5.216	5.751
Other LT payables	31	11
<b>Total</b>	<b>5.247</b>	<b>5.762</b>

### **Government grants**

Government grants relate to grants for the purchase of property, plant and equipment. Amortisation for 2023 amounted to €0,5 million (2022: €0,5 million).

### **Other long-term payables**

Other long-term payables, generally include sundry operating items arising from the Company's ordinary activities.

## 23 Derivative financial instruments

### Derivatives at FVTPL

Commodity Derivative type	31 December 2023				31 December 2022			
	Notional Amount		Assets	Liabilities	Notional Amount		Assets	Liabilities
	<u>MT'000</u>	<u>Bbls'000</u>	€	€	<u>MT'000</u>	<u>Bbls'000</u>	€	€
Commodity Swaps - Crude & oil products	-	2.000	117	-	-	2.000	-	172
Commodity Swaps - EUA	200	-	1.559	-	5.000	-	5.114	-
	<b>200</b>	<b>2.000</b>	<b>1.676</b>	<b>-</b>	<b>5.000</b>	<b>2.000</b>	<b>5.114</b>	<b>172</b>

### Derivatives designated as Cash Flow Hedges

Commodity Derivative type	31 December 2023				31 December 2022			
	Notional Amount		Assets	Liabilities	Notional Amount		Assets	Liabilities
	<u>MT'000</u>	<u>Bbls'000</u>	€	€	<u>MT'000</u>	<u>Bbls'000</u>	€	€
Commodity Swaps - Crude & oil products	-	1.376	-	13.333	-	178	-	1.589
	-	<b>1.376</b>	-	<b>13.333</b>	-	<b>178</b>	-	<b>1.589</b>
<b>Total</b>	<b>200</b>	<b>3.376</b>	<b>1.676</b>	<b>13.333</b>	<b>5.000</b>	<b>2.178</b>	<b>5.114</b>	<b>1.761</b>

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the accounting hedging criteria, they are classified as 'derivatives at fair value through the income statement' for accounting purposes.

The maximum exposure to credit risk at the reporting date is the fair value of the derivative in the statement of financial position.

The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months.

	31 December 2023		31 December 2022	
	Assets	Liabilities	Assets	Liabilities
<b>Non-current portion</b>				
Commodity swaps	746	-	-	-
	<b>746</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current portion</b>				
Commodity swaps	930	13.333	5.114	1.761
	<b>930</b>	<b>13.333</b>	<b>5.114</b>	<b>1.761</b>
<b>Total</b>	<b>1.676</b>	<b>13.333</b>	<b>5.114</b>	<b>1.761</b>

### Derivatives at fair value through the statement of comprehensive income

As at 31 December 2023, derivatives at fair value through the income statement include commodity swaps for EUAs (Notes 3 and 15).

### Derivatives designated as cash flow hedges

During the year ended 31 December 2023 amounts transferred to the statement of comprehensive income, relating to contracts that were settled during the year, amounted to a gain of €17,0 million, net of tax (31 December 2022: €4,9 million gain, net of tax).

The remaining cash flow hedges are highly effective and the movement in their fair value, amounting to a gain of €7,8 million, net of tax as at 31 December 2023 (31 December 2022: €4,3 million gain, net of tax), is included in the hedging reserve (see note 15).

## 24 Expenses by nature

	For the year ended	
	31 December 2023	31 December 2022
Raw materials and consumables used	10.071.607	11.145.607
Employee costs	255.929	218.113
Depreciation of property, plant and equipment and right-of-use assets	195.685	197.964
Amortization of intangible assets	250	1.212
Transportation and warehouse costs	115.668	94.595
Production overheads	246.322	265.770
Swaps (gains)/losses	(25.790)	36.759
Stock devaluations	9.637	24.191
Other expenses	178.634	185.469
<b>Total expenses</b>	<b>11.047.942</b>	<b>12.169.680</b>
Expenses capitalised in assets under construction	(15.827)	(23.203)
<b>Total cost of sales, distribution cost and administrative expenses</b>	<b>11.032.115</b>	<b>12.146.477</b>

Reclassification: An amount of €5,6 million has been reclassified from "Administrative expenses" of 2022 to the 'Corporate social responsibility initiatives' category in "Other operating expenses and other losses", to better reflect the nature of the expenses. All the above constitute reclasses with no effect in Profit before income tax.

Other expenses mainly comprise items relating to maintenance & site expenses, insurance costs, provision for impairment of receivables, corporate social responsibility costs, third party services (management, consultancy & legal) expenses and IT costs.

'SWAPS gains / (losses)' comprise the total amounts included in comprehensive income for derivatives at fair value through profit or loss, whether realized or unrealized and the effect of recycling for derivatives held for hedging (Note 3 and 23).

### Employee costs

Employee costs are set out in the table below:

	For the year ended	
	31 December 2023	31 December 2022
Wages and salaries	158.743	147.359
Social security costs	35.080	33.248
Pension costs	12.727	11.426
Other employment benefits	49.379	26.080
<b>Total</b>	<b>255.929</b>	<b>218.113</b>



Other employment benefits include medical insurance, catering and transportation expenses, as well as one-off bonuses to employees.

## 25 Other operating income / (expenses) and other gains / (losses)

Other operating income/(expenses) and other gains / (losses) are analysed as follows:

	For the year ended	
	31 December 2023	31 December 2022
<b>Other operating income and other gains</b>		
Income from grants	535	547
Services to third parties	8.155	8.282
Rental income	908	480
Insurance compensation	1.195	76
Gains on disposal of non-current assets	1.097	1.552
Compensation for indirect cost Co2 in electricity	30.408	-
Other	6.728	1.910
<b>Total</b>	<b>49.026</b>	<b>12.847</b>
<b>Other operating expenses and other losses</b>		
Covid-19 related expenses	(612)	(2.649)
Voluntary retirement scheme cost	(447)	-
Discounting of long-term receivables	-	(1.022)
Litigation and other provisions	(17.158)	(10.511)
Impairment of investments	(8.548)	(3.716)
Corporate social responsibility initiatives	(10.655)	(5.588)
Other	(2.006)	(2.541)
<b>Total</b>	<b>(39.426)</b>	<b>(26.027)</b>

Reclassification: An amount of €5,6 million has been reclassified from " Administrative expenses " of 2022 to the 'Corporate social responsibility initiatives' category in "Other operating expenses and other losses", to better reflect the nature of the expenses. All the above constitute reclasses with no effect in Profit before income tax.

Other operating income / (expenses) and other gains / (losses), include amounts which do not relate to the trading activities of the Company (e.g. rental income and sales of personnel services to subsidiaries).

Compensation for indirect cost CO<sub>2</sub> in electricity relates to reference years 2021 and 2022. The Company was informed regarding these amounts during the year ended 31 December 2023, whilst the remaining amount of €35 million, which relates to 2023, is included in 'Cost of sales'.

Corporate social responsibility initiatives relate to donations to counter the impact of floods in Thessalia and wildfires in Mandra as well as donations for heating oil to Pediatric Hospitals.

Litigation and other provisions for the year ended 31 December 2023, include provisions relating to the legal proceedings.

Impairment of investments mainly includes the impairment in ASPROFOS S.A., as detailed in note 9.

## 26 Finance income / (expense)

	For the year ended	
	31 December 2023	31 December 2022
Interest income	7.748	2.912
Interest expense	(86.600)	(70.870)
Other finance costs	(26.509)	(21.078)
Lease finance cost	(605)	(470)
<b>Finance costs - net</b>	<b>(105.966)</b>	<b>(89.506)</b>

Finance costs amounting to €7,2 million have been capitalised (note 6).

## 27 Currency exchange gains / (losses)

Company's foreign currency exchange losses of €4,3 million reported for the year ended 31 December 2023, mainly relate to unrealized losses arising from the valuation of bank accounts denominated in foreign currency (mostly USD). The corresponding amount for the year ended 31 December 2022 was a gain of €1,4 million.

## 28 Income tax

The income tax (expense) / credit relating to components of comprehensive income, is as follows:

	For the year ended	
	31 December 2023	31 December 2022
Current tax	(160.733)	(176.277)
Prior year tax	(1.814)	(5)
Additional one-off solidarity tax FY2022 (L.5007/22)	36.782	(303.913)
less: tax benefit on one-off solidarity tax FY2022 (L.5007/22)	(8.092)	66.861
Prior years' disputed taxes	-	(7.522)
Deferred tax (Note 19)	20.990	(94.570)
<b>Total</b>	<b>(112.867)</b>	<b>(515.426)</b>

The tax (charge) / credit relating to components of other comprehensive income, is as follows:

	For the year ended			For the year ended		
	31 December 2023			31 December 2022		
	Before tax	Tax (charge)/ credit	After tax	Before tax	Tax (charge)/ credit	After tax
Cash flow hedges	(11.743)	2.584	(9.159)	(803)	177	(626)
Actuarial gains/ (losses) on defined benefit pension plans	(7.091)	1.559	(5.532)	29.783	(6.552)	23.231
<b>Other comprehensive income</b>	<b>(18.834)</b>	<b>4.143</b>	<b>(14.691)</b>	<b>28.980</b>	<b>(6.375)</b>	<b>22.605</b>

The corporate income tax rate of legal entities in Greece for the year ended 31 December 2023 is 22% (2022: 22%).

In accordance with the applicable tax provisions, tax audits are conducted as follows:

#### **Assurance by Certified Auditors - Tax Compliance Report**

Effective from fiscal years ending 31 December 2011 onwards, Greek companies meeting certain criteria can obtain an “Annual Tax Compliance Report” as provided for by par. 5, article 82 of L.2238/1994 and article 65A of L. 4174/2013, as of 2014, from their statutory auditor with regards to compliance with tax law. The issuance of a Tax Compliance Report under certain conditions, substitutes the full tax audit by the tax authorities, however the tax authorities reserve the right of future tax audit taking into consideration the statute of limitation provisions.

HELLENIC PETROLEUM R.S.S.O.P.P. S.A. received unqualified Tax Compliance report by its statutory auditor for the 1<sup>st</sup> fiscal year 3 January to 31 December 2022. The work for the tax certificate of 2023 is underway and Management expects that the same will also apply for the year ended 31 December 2023.

#### **Audits by Tax Authorities**

As of 3 January 2022, €13,9 million of disputed amounts relating to income taxes and related interest and penalties, were recognised by HELLENIC PETROLEUM R.S.S.O.P.P. S.A., as they related to the Company’s Refining sector, after the hive-down of the former HEL.PE. S.A. (presently HELLENiQ ENERGY Holdings S.A.). As of 31 December 2023 and 31 December 2022, the income tax receivables, advanced by the Company and relating to uncertain tax positions amount to €11,7 million, as explained in Notes 2.17, 4 and 31. The timing of the finalization of these disputes cannot be estimated and the Company has classified these amounts as current assets. Further, as of 31 December 2023, the income tax receivables include an amount of €44,8 million related to prepayment of income tax for the next financial year.

Notwithstanding the possibility of future tax audits, Management believes that no additional material liability will arise as a result of unaudited tax years over and above the tax liabilities and provisions recognised in the financial statements as of 31 December 2023 (Note 31).

#### **Temporary Solidarity Contribution**

On 6 October 2022, the Council Regulation (EU) 2022/1854 was issued regarding an emergency intervention to address high energy prices.

In Greece the relevant Law 5007/2022 was issued in December 2022, providing details of the enforcement of the temporary solidarity contribution, which is imposed on companies with activities in the crude petroleum, natural gas and refinery sectors. The contribution is calculated on the taxable profits (as determined under national tax rules) in the fiscal year 2022, which are above a 20% increase of the average taxable profits in the four fiscal years starting on or after 1 January 2018, at a rate of 33% in addition to the existing income tax rate. Following the Decision providing specific detailed instructions on the Solidarity Contribution issued by the Greek Tax Authorities (AADE) in May 2023, the Solidarity Contribution amounted to €268.4 million, with the difference being included in income tax expense in the statement of comprehensive income. Then after the submission of an amendment in the Income tax return the final amount of the Contribution was €267.1 mil and the difference is also included in income tax expense in the statement of comprehensive income. The final deadline for submission of the relevant return was set for July 24th and the amount is payable in 8 installments, the 1<sup>st</sup> being on 31 July 2023.

Numerical reconciliation of income tax expense to prima facie tax payable:

	For the year ended	
	31 December 2023	31 December 2022
<b>Profit before Tax</b>	<b>614.277</b>	<b>1.222.569</b>
Tax calculated at corporation tax rate 22%	(135.141)	(268.965)
Tax on income not subject to tax	619	665
Tax on expenses not deductible for tax purposes	(6.073)	(3.070)
Adjustments for tax of prior periods	(1.814)	2.177
Prior years' disputed taxes	-	(7.522)
Additional one-off solidarity tax FY2022 (L.5007/22)	36.782	(303.913)
less: tax benefit on one-off solidarity tax FY2022 (L.5007/22)	(8.092)	66.861
Other movements	852	(1.659)
<b>Tax (Charge) / Credit</b>	<b>(112.867)</b>	<b>(515.426)</b>
<b>Effective tax rate</b>	<b>18,5%</b>	<b>42,3%</b>

## 29 Dividends

At its meeting held on 22 September 2022, the Board of Directors decided to distribute an interim dividend for the fiscal year 2022, which amounts to €200,3 million, is included in the financial statements for the year 2022 and was paid in December 2022. At its meeting held on 22 March 2023, the Board of Directors decided to propose a final dividend of €2,26 per share for the fiscal year 2022, which amounts to €124,8 million. The total dividend for the fiscal year 2022 is €5,90 per share, amounting to €325,2 million, was approved by the AGM on 27 March 2023 and the amount of €124,8 million was paid in June 2023.

At its meeting held on 21 September 2023, the Board of Directors decided to distribute an interim dividend of €2,50 per share for the fiscal year 2023, which amounts to €137,8 million, is included in the financial statements for the year 2023 and was paid in December 2023.

At its meeting held on 21 March 2024, the Board of Directors decided to propose a final dividend of €4,0 per share for the fiscal year 2023, which amounts to €220,4 million and is subject to approval by the AGM.

### 30 Cash generated from / (used in) operations

	Note	For the year ended	
		31 December 2023	31 December 2022
<b>Profit/(Loss) before tax</b>		<b>614.276</b>	<b>1.222.569</b>
Adjustments for:			
Depreciation and impairment of property, plant & equipment and right of use assets	6,7	195.685	197.964
Amortisation and impairment of intangible assets	8	250	1.212
Amortisation of grants	25	(535)	(547)
Financial expenses/(income) - net	26	105.966	89.506
Provisions for expenses and valuation changes		72.822	148.487
Amortisation of long-term contracts costs	25	(1.097)	1.022
(Gains)/Losses on disposal of non-current assets		-	41
Foreign exchange (gains)/losses	27	4.342	(1.366)
Dividend income		(2.812)	(3.023)
		<b>988.897</b>	<b>1.655.865</b>
<b>Changes in working capital</b>			
(Increase) / Decrease in inventories		327.217	(281.431)
(Increase) / Decrease in trade and other receivables		(2.442)	(50.642)
Increase / (Decrease) in trade and other payables		(113.956)	(813.180)
		<b>210.819</b>	<b>(1.145.253)</b>
<b>Net cash generated from / (used in) operating activities</b>		<b>1.199.716</b>	<b>510.612</b>

### 31 Contingencies and litigation

The Company has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. The majority of these were transferred to HELLENIC PETROLEUM R.S.S.O.P.P. S.A. on 3 January 2022, during the hive-down of former HEL.PE. S.A. (presently HELLENiQ ENERGY HOLDINGS S.A.), as they related to the Company's Refining and Petrochemicals sectors. The most significant of these are disclosed below:

#### Business Issues

##### (i) *Unresolved legal claims*

The Company is involved in a number of legal proceedings and has various unresolved claims pending arising in the ordinary course of business. Based on currently available information and the opinion of legal counsel, management believes that the final outcome will not have a significant effect on the Company's operating results or financial position and that no additional provisions, over and above provisions already reflected in the financial statements, are required.

Former HEL.PE. S.A. had filed on 29.09.2014 a lawsuit versus the Greek State claiming the amount of €7.4 million from undue retentions effected in favour of the pension funds of the Armed Forces on the price of products sold to the Army during 2011 and 2012. The First Instance Court has rejected the lawsuit by virtue of Decision No. 1661/2019 and such decision has been upheld by virtue of Decision No. 4781/2022 the Appellate Court that has ruled on the case further to an appeal filed by the company. Management has decided not to appeal further

before the Supreme Court. The amount of €7.4 million was posted during 2022 to "Other operating expenses and other losses" (Note 25).

#### Rights of way occupied by underground pipelines

During the current and preceding years, a number of Municipalities proceeded with the imposition of duties and fines relating to the rights of way occupied by underground pipelines operated by the Company within the boundaries of each respective municipality.

The Municipality of Aspropyrgos had imposed duties and fines for the years 2013-2019 amounting to €50,6 million (31 December 2022: €50,6 million). In order to appeal against these, and in accordance with the law, the Company had paid an amount of €12,1 million, which is included in Trade and other receivables in the Statement of Financial Position (31 December 2022: €12,1 million). The Company has exercised all available legal recourse relating to these cases and Management has assessed that it is most probable that the outcome of all appeals will be favorable.

In December 2023, the Municipality of Aspropyrgos, in light of the Court Decisions rendered, revoked all acts of imposition of duties and fines for the above period (2013-2019) and proceeded to a new assessment of €20,8 million in duties and fines for the years 2013-2023, which is more than 70% lower than the comparable revoked period.

The Company has exercised all available legal recourse relating to the new assessment of duties by the Municipality of Aspropyrgos, and Management have assessed that it is most probable that the outcome of most of the appeals will be favorable. For this reason, no provision has been included in the annual financial statements for the year ended 31 December 2023.

#### (ii) *Guarantees*

The Company has provided letters of comfort and guarantees in favour of banks as security for loans granted by them to subsidiaries and associates of the HELLENiQ ENERGY Group. The outstanding amount of these as at 31 December 2023 was the equivalent of €600 million (31 December 2022: €600 million).

Also, as at 31 December 2023, the intragroup corporate guarantees provided to the Custom Authorities for the transportation of energy products within the bonded warehouse regime amounted to €46,6 million (31 December 2022: €46,6 million).

#### Taxation and customs

The tax framework and practices in Greece, which determine the tax base for the Company's transactions, entail in inherent uncertainties, due to its complexity and it being subject to changes and alternative interpretation by relevant authorities at different points in time and across different entities. As a result, there may be types of expenses or treatments for which a company may be assessed on a different basis than the one adopted during the preparation of its tax return and the financial statements. Based on past experience tax audits were carried out by tax authorities on average close to the statute of limitation after the filing of the tax return. In addition, where a tax audit results in a different view to that adopted by the Company, the process for resolving the issue is usually through a court of law proceeding, which has many stages and can take a considerable number of years to reach its final and irrevocable ruling. For an entity to engage in this process, a minimum down payment of 50% of the total tax and surcharges assessed is required.

All of the above result in inherent difficulties in the determination and accounting of tax liabilities. As a result, management aims to determine its policy based on specific legislation available at the time of accounting for a transaction, obtain specialist legal and tax advice on individual cases and utilise prior tax audits experience and rulings, including relevant court decisions. This process ensures that the financial statements reflect Management's best estimates for any material tax and customs liabilities.

(i) *Open tax years – litigation tax cases:*

Tax audits have been completed by the Tax Authorities up to and including the financial year ended 31 December 2014.

The Tax audit reports for years ended 31 December 2010 and 2011 were received in December 2017 and they are subject to legal dispute by the Company. In summary, the reports assess additional taxes of €22,5 million and penalties of €23,5 million for items relating to stamp duty, various non-deductible expenses and other income tax adjustments. Following a detailed review of the Tax Audit Report, the Company has disputed the additional taxes imposed (which are over and above the amounts already included in the Company's normal tax returns) and proceeded with all possible legal means and actions to appeal against these additional taxes and surcharges imposed.

Even though the Company disputed the additional taxes and surcharges imposed, it was obliged to pay 50% of the assessed amounts (taxes and surcharges) to the Tax Authorities, in order to appeal the results of the tax audits. This was paid within the applicable deadline, while the remaining amounts have been fully offset by the Authorities, with tax and other State receivables of the Company, within 2018. Such amounts are included in 'Income tax receivable' if they relate to income tax, or in 'Trade and other receivables' if they relate to other taxes, as the Company assesses that it will succeed in its appeals. As far as surcharges are concerned, the report has assessed amounts at 120% of the original tax instead of the applicable 50%; this is also being legally challenged by the Company.

The relevant decisions of the Athens Administrative Court of Appeals were issued in March 2021, according to which various non-deductible expenses and additional charges are annulled and the amount of € 18.2 million was returned to the Company, whereas, with regards to the stamp duty, the relevant appeals are partially accepted and the amount of € 3.8 million is also returned to the Company.

The Company has filed cassation recourses to the extent that its appeals are not accepted and believes that the final outcome will be in its favor. The hearing date for the income tax differences is set, after postponement, for the 10<sup>th</sup> of April 2024, while for the stamp duty cases the hearing date is set after postponement for the 15<sup>th</sup> of May 2024.

Within March 2020, a notification for audit was received, for the years 2014 up to and inclusive 2017. The audit is related to specific tax subjects and the final Tax Audit Report was received in February 2021, without findings.

Moreover, during July 2020, a new notification for full audit was received for the year 2014 regarding all tax subjects. The audit is finalized and the Tax audit Reports were received in December 2020. The reports assess additional amounts of €16,2 million, penalties of € 8,1 million and surcharges of € 9,5 million for alleged stamp duty, while various non-deductible expenses and other income tax adjustments have no payment impact, since in 2014 the Company had tax losses. Following a detailed review of the Tax Audit Reports, the Company disputes the additional amounts imposed. In January 2021 the Company followed the relevant administrative procedure against the tax assessment paying the minimum required amount of 50% of the total tax and surcharges, amounting to €16,9 million, while the remaining 50% was offset in April 2021, therefore the full charged amounts have been paid. After the implicit rejection of the administrative appeals, the Company has filed judicial appeals in November 2021. At the hearing of 19 September 2023 before the Athens Administrative Court of Appeals, the income tax and stamp duty cases were discussed and issuance of the decision is expected.

Within December 2023, a tax audit report was received by HELPE R.S.S.O.P.P. S.A. with regards to receivable VAT of the 2<sup>nd</sup> quarter of 2023, according to which the claimed amount was reduced by € 5 million while the remaining € 11 mil was refunded to the Company. The Company has disputed this reduction and filed an administrative appeal, within the relevant deadlines.

The Company expects that it will succeed in its appeals and the relevant amounts will be fully recovered.

Management believes that no additional material liability will arise either as a result of open tax years or from the outcome of current litigation cases over and above the tax liabilities and provisions already recognised in the financial statements as at 31 December 2023. The Company has recorded down payments made for taxes and penalties assessed in previous disputes with the tax authorities in income tax, to the extent that the Company has assessed that the amounts will be ultimately recoverable.

(ii) *Assessments of customs, duties and fines*

In 2008, Customs authorities assessed additional customs duties and penalties amounting to approximately €40 million for alleged “stock shortages” during the years 2001-2005. The Company has duly filed contestations before the Administrative Court of First Instance and Management believes that this case will have a positive outcome when the legal procedure will be concluded.

Notwithstanding the filing of the above contestations, the Customs office withheld an amount of €54 million (full payment plus surcharges) of established VAT refunds (note 12), an action against which the Company filed two Contestations before the Administrative Courts of Athens and Piraeus. The Administrative Court of Athens ruled that the withholding effected by the Tax Office was unlawful. The appeal against the Customs Act No 935/2008 amounting to €3,5 million, was heard at first instance, was dismissed and the Company has appealed to the Supreme Administrative Court against the decision. The hearing was initially set for 9 June 2021 and was finally postponed for 1 March 2023, when the hearing took place and the relevant decision is expected. In November 2020 the hearing of the Customs Act No 989/2008, amounting at € 35,7 million, took place before the Administrative Court of Piraeus, while a new hearing took place on 6 April 2022 and the relevant decision is pending.

The Company considers that the above amounts will be recovered.

## **32 Commitments**

(a) Capital commitments

Significant contractual commitments amount to €43,7 million as at 31 December 2023 (31 December 2022: €43,6 million), which mainly relate to improvements in refining assets.

(b) Letters of Credit

The Company is requested to provide bank letters of credit to suppliers in order to obtain better commercial and credit terms. To the extent that such items are already recorded as liabilities in the financial statements, there is no additional commitment to be disclosed. In cases where the underlying transaction occurs after the year end, the Company is not liable to settle the letter of credit and hence no such liability exists as at the year end. As of 31 December 2023, there were open letters of credit relating to purchase orders, amounting to 193 million USD (31 December 2022: 187 million USD).

(c) Put and call option

HELLENIC PETROLEUM R.S.S.O.P.P.S.A. is counterparty to outstanding put and call option agreements to purchase oil stock from the Group’s associate OTSM. The put and call options may be exercised by either counterparty at any time before maturity under certain conditions. The value of these two options (put and call) is immaterial due to the fact that the terms of the agreements are such that the transactions will be market priced resulting in zero payoff at any time of exercise.



### 33 Related party transactions

Included in the statement of comprehensive income are proceeds, costs and expenses, that arise from transactions between the Company and related parties. Such transactions are mainly comprised of sales and purchases of goods and services in the ordinary course of business.

	For the year ended	
	31 December 2023	31 December 2022
<b>Sales of goods and services to related parties</b>		
Group entities	4.191.543	5.290.691
Associates	463.580	99.895
Joint ventures	546	479
<b>Total</b>	<b>4.655.669</b>	<b>5.391.065</b>
<b>Purchases of goods and services from related parties</b>		
Group entities	100.936	92.896
Associates	405.232	141.799
Joint ventures	149.463	171.065
<b>Total</b>	<b>655.631</b>	<b>405.760</b>

Other operating income/(expenses) & other gains/(losses) for 2023 include other income from subsidiaries, amounting to €8,1 million and other expenses amounting to €1,5 million (2022: other income of €8,2 million and other expenses of €0,4 million).

Dividends received from subsidiaries amount to €2,8 million (2022: €3,0 million) and are included in line “Dividend Income” in the Statement of Comprehensive Income.

The statement of financial position includes balances, which derive from sales / purchases of goods and services in the ordinary course of business.

	As at	
	31 December 2023	31 December 2022
<b>Balances due to related parties</b>		
Group entities	23.918	26.973
Associates	15.259	13.475
Joint ventures	13.237	-
<b>Total</b>	<b>52.414</b>	<b>40.448</b>
<b>Balances due from related parties</b>		
Group entities	217.722	274.703
Associates	18.073	8.451
Joint ventures	132	8.752
<b>Total</b>	<b>235.927</b>	<b>291.906</b>

Transactions have been carried out with the following related parties:

- a) HELLENiQ ENERGY Group companies. Interests in subsidiaries are set out in note 9.
- b) Associates and joint ventures of the Group, which are consolidated under the equity method:
  - Athens Airport Fuel Pipeline Company S.A. (EAKAA)
  - DEPA Commercial S.A. (ex Public Gas Corporation of Greece S.A. – DEPA S.A.)
  - DEPA International Projects S.A.
  - Elpedison B.V.

- Spata Aviation Fuel Company S.A. (SAFCO)
- D.M.E.P. HOLDCO
- V LPG Plant LTD

c) Government related entities which are under common control with the Company due to the shareholding and control rights of the Hellenic State and with which the Company has material transactions or balances:

- Public Power Corporation Hellas S.A.
- Hellenic Armed Forces
- Hellenic Distribution Network Operator SA (HEDNO)

During the year ended 31 December 2023, transactions and balances with the above government related entities are as follows:

- Sales of goods and services amounted to €199 million (2022: €262 million);
- Purchases of goods and services amounted to €3 million (2022: €3 million);
- Receivable balances of €54 million (31 December 2022: €15 million); and
- No payable balances as of 31 December 2023 and 31 December 2022.

d) Key management includes directors (Executive and Non-Executive Members of the board of HELLENIC PETROLEUM R.S.S.O.P.P. S.A.) and General Managers. The compensation paid or payable to the aforementioned key management amounted as follows:

	For the year ended	
	31 December 2023	31 December 2022
Short-term employee benefits	2.115	1.869
Post-employment benefits	1.278	190
<b>Total</b>	<b>3.393</b>	<b>2.059</b>

Comparative amounts have been amended to better reflect the nature of the compensation earned.

e) The Company has received loans from its subsidiaries. The outstanding balance of these loans as at 31 December 2023 was €457 million (31 December 2022: €250 million). Interest expense for the year was €15 million. Intercompany loans for 2023 are at variable or fixed interest rates. The average interest rate on inter-company loans was 4,6% (2022: interest expense of €10 million, at average interest rate of 3,9%).

### **34 Events after the end of the reporting period**

Other than the events already disclosed in Notes 17 and 29, no other significant events took place after the end of the reporting period and up to the date of the publication of the Company's financial statements.